

Affin Hwang Global Equity Fund

Information Memorandum

Out **think**. Out **perform**.



AFFIN HWANG
CAPITAL



MANAGER
Affin Hwang Asset Management Berhad (429786-T)

TRUSTEE
Deutsche Trustees Malaysia Berhad (763590-H)

This Information Memorandum is dated 23 November 2015.
The Affin Hwang Global Equity Fund was constituted on 23 November 2015.
The constitution date of this Fund is also the launch date of this Fund.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE UNITS OF THE FUND. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

This Information Memorandum has been seen and approved by the directors of Affin Hwang Asset Management Berhad and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

A copy of this Information Memorandum is deposited with the Securities Commission Malaysia. The Securities Commission Malaysia will not be liable for any non-disclosure on the part of Affin Hwang Asset Management Berhad and takes no responsibility for the contents of this Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Information Memorandum.

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

This Information Memorandum is not intended to and will not be issued and distributed in any country or jurisdiction other than in Malaysia ("Foreign Jurisdiction"). Consequently, no representation has been and will be made as to its compliance with the laws of any Foreign Jurisdiction. Accordingly, no issue or sale of Units of the Fund to which this Information Memorandum relates, is made in any Foreign Jurisdiction or under any circumstances, where such action is unauthorised.

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1. CORPORATE DIRECTORY

The Manager

Affin Hwang Asset Management Berhad (429786-T)

Registered Office

27th Floor, Menara Boustead, 69 Jalan Raja Chulan
50200 Kuala Lumpur

Business Address

Suite 11-01, 11th Floor
Menara Keck Seng
203 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel No.: (603) 2116 6000
Fax No.: (603) 2116 6100
Toll free line: 1-800-88-7080
E-mail: customercare@affinhwangam.com
Website: www.affinhwangam.com

Board of Directors of the Manager

- Tan Sri Dato' Seri Che Lodin Bin Wok Kamaruddin
- Puan Maimoonah Binti Mohamed Hussain
- Mr Teng Chee Wai
- Mr David Semaya
- Encik Abd Malik Bin A Rahman (Independent Director)
- Dato' Hj Latip Bin Ismail (Independent Director)

Manager's Delegate

(fund valuation & accounting function)

Deutsche Bank (Malaysia) Berhad (312552-W)

Business address

Level 18-20, Menara IMC
8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel No. : (603) 2053 6788
Fax No. : (603) 2031 9822

Company Secretary

Azizah Shukor(LS0008845)
27th Floor Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur
Wilayah Persekutuan

**Deutsche Trustees Malaysia Berhad
(763590-H)**

Registered office & Business address

Level 20, Menara IMC
8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel No. : (603) 2053 7522
Fax No. : (603) 2053 7526

Trustee's Delegate

(Local & Foreign Custodian)

Deutsche Bank (Malaysia) Berhad (312552-W)

Business address

Level 18-20, Menara IMC
8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel No. : (603) 2053 6788
Fax No. : (603) 2031 8710

Tax Adviser

Deloitte Tax Services Sdn. Bhd.
Level 16, Menara LGB, 1 Jalan Wan Kadir
Taman Tun Dr Ismail, 60000 Kuala Lumpur

Auditor

PricewaterhouseCoopers
Level 10, 1 Sentral, Jalan Rakyat, KL Sentral
P.O. Box 10192
50706 Kuala Lumpur

Banker

HSBC Bank (M) Berhad
Head Office
2, Leboh Ampang
50100 Kuala Lumpur

Solicitors

Messrs. Wei Chien & Partners
Level 29, Tower A, Vertical Business Suite
Avenue 3 Bangsar South
No. 8 Jln Kerinchi
59200 Kuala Lumpur

FIMM

19-06-1, 6th Floor, Wisma Tune
19, Lorong Dungun, Damansara Heights, 50490 Kuala
Lumpur
Tel No. : (603) 2093 2600
Fax No. : (603) 2093 2700
Email: info@fimm.com.my
Website: www.fimm.com.my

Agents

Registered unit trust consultants and other approved
Institutional Unit Trust Advisers (as and when
appointed) of the Manager.

2. GLOSSARY

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| the Act | Means the Capital Markets and Services Act 2007 as originally enacted and amended or modified from time to time. |
| Base Currency | Means the currency in which the Fund is denominated i.e. SGD. |
| Bursa Malaysia | Means the stock exchange managed and operated by Bursa Malaysia Securities Berhad including such other name as it may be changed to from time to time. |
| Business Day | A day on which the Bursa Malaysia is open for trading and on which banks and other financial institutions in Singapore are open for business (or such other day as from time to time be determined by the Target Fund Manager). The Manager may declare certain Business Days a non-Business Day when deemed necessary, such as in the event of market disruption. |
| Class(es) | Means any number of Class(es) of Unit(s) representing similar interests in the assets of the Fund and “Class” means any one class of Units. |
| Commencement Date | Means the date of this Information Memorandum and is the date on which sales of Units of the Fund may first be made. The Commencement Date is also the date of constitution of the Fund. |
| Deed(s) | Refers to the deed dated 9 November 2015 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the Deed. |
| FDIs | Means financial derivatives instruments. |
| FiMM | Means the Federation of Investment Managers Malaysia. |
| Financial Institution | Means (1) if the institution is in Malaysia – (i) Licensed Bank; (ii) Licensed Investment Bank; (iii) Development Financial Institutions (DFIs); or (iv) Islamic Bank; (2) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services. |
| Forward Pricing | Means the method of determining the price of a Unit which is the NAV per Unit calculated at the next valuation point after an application for purchase or repurchase request is received by the Manager. |
| Fund | Refers to Affin Hwang Global Equity Fund. |
| GST | Refers to the tax levied on goods and services pursuant to the Goods and Services Tax Act 2014. |
| Guidelines | <i>Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework</i> issued by the SC and as amended from time to time. |
| Information Memorandum | Means this offer document in respect of this Fund. |
| Islamic Bank | Means a bank under Islamic Financial Services Act 2013. |
| Licensed Bank | Means a bank licensed under Financial Services Act 2013. |
| Licensed Investment Bank | Means an investment bank licensed under Financial Services Act 2013. |
| the Manager | Refers to Affin Hwang Asset Management Berhad. |
| MYR | Means the Malaysian Ringgit, the lawful currency of Malaysia. |
| NAV | Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point; solely for the purpose of computing the annual management fee and annual trustee fee, the NAV of a Fund is inclusive of the |

management fee and trustee fee for the relevant day; where a Fund has more than one Class, there shall be a NAV of the Fund attributable to each Class.

NAV per Unit

Means the NAV of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point; where the Fund has more than one Class, there shall be a NAV per Unit for each Class of Units; the NAV per Unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.

Sophisticated Investors

Refers to –

- (1) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence;
- (2) an individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months;
- (3) an individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies per annum in the preceding 12 months;
- (4) a corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;
- (5) a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
- (6) a unit trust scheme or prescribed investment scheme;
- (7) a private retirement scheme;
- (8) a closed-end fund approved by SC;
- (9) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies;
- (10) a corporation that is a public company under the Companies Act 1965 which is approved by the SC to be a trustee under the Act and has assets under management exceeding RM10 million or its equivalent in foreign currencies;
- (11) a statutory body established by an Act of Parliament or an enactment of any State;
- (12) a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967 [Act 53];
- (13) a holder of a capital markets services licence or an executive director or a chief executive officer of a holder of a capital markets services licence;
- (14) a licensed institution;
- (15) an Islamic Bank licensee;
- (16) an insurance company licensed under the Financial Services Act 2013;
- (17) a takaful licensee registered under the Islamic Financial Services Act 2013;
- (18) a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010 [704];
- (19) an Islamic Bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010 [705]; and
- (20) such other investor(s) as may be permitted by the Securities Commission Malaysia from time to time and/or under the relevant guidelines for wholesale funds.

Repurchase Charge

Means a charge imposed pursuant to a repurchase request.

Repurchase Price

Means the price payable to a Unit Holder by the Manager for a Unit pursuant to a

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| | repurchase request and it shall be exclusive of any Repurchase Charge. |
| SC | Means the Securities Commission Malaysia established under the Securities Commission Act 1993. |
| Sales Charge | Means a charge imposed pursuant to the Unit Holder's purchase request. |
| Selling Price | Means the NAV per Unit payable by the Unit Holder for the Manager to create a Unit in the Fund and it shall be exclusive of any Sales Charge. |
| SGD | Means Singapore Dollar, the lawful currency of Singapore. |
| Special Resolution | Means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than three-fourths of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, "three-fourths of the Unit Holders present and voting" means three-fourths of the votes cast by the Unit Holders present and voting; for the purposes of winding-up the Fund or a Class, "Special Resolution" means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number holding not less than three-fourths of the value of the votes cast by the Unit Holders present and voting at the meeting in person or by proxy. |
| Target Fund | Means Nikko AM Shenton Global Opportunities Fund. |
| Target Fund Manager | Refers to Nikko Asset Management Asia Limited |
| Trustee | Refers to Deutsche Trustees Malaysia Berhad. |
| Unit or Units | Means 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 in the Fund and means a Unit and if the Fund has more than one class of Units, it means a Unit issued for each Class. |
| Units in Circulation | Means Units created and fully paid for and which has not been cancelled. <i>It is also the total number of Units issued at a particular valuation point.</i> |
| Unit Holder or Unit Holders or You | Refers to the person or persons registered for the time being as the holder or holders of Units of the Fund including persons jointly registered. |
| USD | Means United States Dollar, the lawful currency of United States of America. |

3. ABOUT THE FUND

| | SGD Class | MYR Class | USD Class |
|------------------------------|---|-----------|-----------|
| Fund Category | Equity feeder (wholesale) | | |
| Base Currency | SGD | | |
| Fund Type | Growth | | |
| Launch Date | 23 November 2015 | | |
| Initial Offer Price | SGD 0.50 | MYR 0.50 | USD 0.50 |
| Initial Offer Period | The initial offer period shall be for a period of not more than 21 calendar days from the Commencement Date of the Fund. | | |
| Investors' Profile | <p>The Fund is suitable for investors who:</p> <ul style="list-style-type: none"> • Seek capital growth from their investments; • Have a medium to long-term investment horizon; • Want exposure into global markets; and • Are able to withstand more volatile market movements. | | |
| Financial Year End | 30 September | | |
| Distribution Policy | The Fund is not expected to make distribution. However, Incidental distribution may be declared whenever appropriate. | | |
| Investment Objective | <p>The Fund aims to achieve medium to long-term capital appreciation.</p> <p>Note : Any material change to the Fund's investment objective would require Unit Holders' approval.</p> | | |
| Performance Benchmark | <p>MSCI World Free Index</p> <p>The risk profile of this Fund is different from the risk profile of the benchmark.</p> | | |
| Asset Allocation | <ul style="list-style-type: none"> • A minimum of 70% of the Fund's NAV to be invested in the Target Fund; and • A maximum of 30% of the Fund's NAV to be invested in money market instruments, fixed deposits and/or liquid assets. | | |
| Investment Strategies | <p>The Fund will be investing a minimum of 70% of the Fund's NAV into the Target Fund and a maximum of 30% of the Fund's NAV into money market instruments, fixed deposits and/or liquid assets.</p> <p>The Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy by reducing its investment into the Target Fund and raise liquidity levels of the Fund during adverse market conditions to protect the Unit Holders' interest. In raising the Fund's liquidity levels, the Manager may also invest into collective investment schemes that are able to meet this objective.</p> <p>The Manager may substitute the Target Fund with another fund that has a similar objective with the Fund, if, in the Manager's opinion, the Target Fund no longer meets the Fund's investment objective. However, this is subject to the Unit Holder's approval before any such changes are made.</p> <p>The Manager may use derivatives, such as foreign exchange forward contracts and cross currency swaps, mainly for hedging purposes. Cross currency swaps and/or foreign exchange forward contracts may be used to hedge the principal and/or the returns of the foreign currency exposure of any of the Class(es) against the Base Currency of the Fund. The employment of derivatives under these circumstances is expected to reduce the impact of foreign currency movements on the Fund's NAV, irrespective of the currency classes. While the hedging strategy will assist with mitigating the potential foreign exchange</p> | | |

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| | <p>losses by the Fund, any potential gains from the hedging strategy will be capped as well. The Fund may also employ derivatives for investment purposes to enhance the returns of the Fund by taking a view on the underlying asset or currency, and establish a long position to gain a specific underlying exposure. The types of derivatives envisaged for investment purposes include forwards and swaps which are over-the-counter or traded on centralized exchanges.</p> |
| Permitted Investment | <p>The Fund will invest in the following investments:</p> <ul style="list-style-type: none"> (a) Collective investment scheme; (b) Money market instruments; (c) Fixed deposits with Financial Institutions; (d) Derivatives; and (e) Any other form of investments as may be determined by the Manager from time to time that is in line with the Fund's objective. |
| Denomination of the Fund | <p>The transaction for the Fund listed in this Information Memorandum is denominated in SGD as it is the Base Currency for the Fund. The Manager may create new classes of Units in respect of the Fund in the future. Unit Holders will be notified of the issuance of the new classes of Units by way of communiqué and the prospective investors will be notified of the same by way of a supplemental/replacement information memorandum.</p> |
| Cross Trades Policy | <p>We may conduct cross trades between funds we currently manage provided that all criteria imposed by the regulators are met. Notwithstanding, cross trades between the personal account of our employee and the Fund's account(s); and between our proprietary trading accounts and the Fund's account(s) are strictly prohibited. Compliance with the criteria are monitored by our compliance unit, and reported to our compliance and risk management committee, to avoid conflict of interests and manipulation that could have a negative impact on the investors.</p> |
| Unitholdings in Different Class(es) | <p>You should note that there are differences when purchasing Units of a Class other than MYR Class in the Fund.</p> <p>For illustration purposes, assume the exchange rate of a Class (other than MYR Class) and MYR is 2.4, and you have MYR 10,000 to invest. The Class (other than MYR Class) is priced at SGD/USD 0.50, while the MYR Class is priced at MYR 0.50. By purchasing Units in the MYR Class, you will receive more Units for every MYR invested in the Fund (i.e. 20,000 Units) compared to purchasing Units in a Class (other than MYR Class) (i.e. 8,333 Units).</p> <p>Upon a poll every Unit Holder present in person or by proxy shall be proportionate to the value of Unit held by him or her. Hence, holding more number of Units may not give you an advantage when voting at Unit Holders meetings. You should note that in a Unit Holders' meeting to terminate or wind up the Fund, a special resolution may only be passed by a majority in number representing at least three-fourths (¾) of the value of the Units held by Unit Holders voting at the meeting, and not based on number of Units held.</p> |

4. ABOUT THE TARGET FUND

The Target Fund is an open-ended stand-alone unit trust established under the laws of Singapore.

The Target Fund Manager, Nikko Asset Management Asia Limited, a company domiciled in the Republic of Singapore, is licensed and regulated by the Monetary Authority of Singapore. The Target Fund Manager has managed collective investment schemes or discretionary funds in Singapore since 1982.

The Target Fund Manager has appointed Nikko Asset Management Europe Ltd (“NAM Europe”), a company domiciled in the United Kingdom, as the sub-manager of the Target Fund. NAM Europe has been managing collective investment schemes or discretionary funds for approximately 30 years. NAM Europe is regulated by the Financial Conduct Authority of the United Kingdom.

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| Name of the Target Fund | Nikko AM Shenton Global Opportunities Fund |
| Type of Class | SGD Class |
| Base Currency | USD |
| Date of Establishment | 5 March 1999 |
| Target Fund Manager | Nikko Asset Management Asia Limited |
| Target Fund Sub-manager | Nikko Asset Management Europe Ltd |
| Target Fund Trustee | BNP Paribas Trust Services Singapore Limited |
| Custodian | BNP Paribas Securities Services, Singapore branch |
| Country of Origin | Singapore |
| Regulatory Authority | Monetary Authority of Singapore |
| Investment Objective | The investment objective of the Target Fund is to achieve medium-to-long-term capital appreciation. |
| Investment Focus and Approach | <p>The Target Fund will invest primarily in equities of developed and emerging markets. The Target Fund may also invest in fixed income securities of developed countries or debt instruments with at least an “A” rating, and derivatives which will be used primarily for hedging. There is no target industry / sector.</p> <p>The Target Fund Manager believes that active investment management can add value to investors. They seek to add value by selectively over/under weighting benchmark components to achieve relative out-performance and carefully blending the mix with a selection of non-benchmark components to deliver absolute out-performance.</p> <p>The benchmark against which the Target Fund’s performance is measured is the MSCI World Free Index.</p> |

| Fees and Charges of the Target Fund | |
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| Initial Sales Charge | Up to 5.00% as a percentage of the gross investment sum. <i>Please note that the initial sales charge is waived for any investments made by the Fund into the Target Fund.</i> |
| Realisation Charge | Up to 1.00% as a percentage of the gross investment sum. <i>Please note that the realisation charge is waived for any redemptions made by the Fund into the Target Fund.</i> |
| Management Fee | Current: 1.25% per annum of the net asset value of the Target Fund. Maximum: 2.00% per annum of the net asset value of the Target Fund. <i>Please note that management fee will only be charged once at the Fund level. The management fee charged by the Target Fund will be paid out of the annual management fee charged by the Manager at the Fund level. There is no double charging of management fee.</i> |
| Trustee Fee (including fees of the custodian and registrar's agent of the Target Fund) | Current: 0.10% per annum of the net asset value of the Target Fund. Maximum: 0.125% per annum of the net asset value of the Target Fund. <i>Subject to a minimum sum of SGD 10,000 per annum.</i> Note: Subject to agreement with the relevant parties, other fees and charges, including <i>inter alia</i> custodian fee and registrar fees may each amount to or exceed 0.10% per annum, depending on the proportion that each fee or charge bears to the net asset value of the Target Fund. The exact custodian fee payable for any prospective period is currently not ascertainable as the fee is transaction based and depends on the number of transactions the Target Fund has during the said period as well as the asset value of the Target Fund at the time. |

5. UNDERSTANDING THE RISKS OF THE FUND AND THE TARGET FUND

Below are the risks associated with the investments of the Fund and the Target Fund. Before investing, you should first consider these factors. You are recommended to read the whole Information Memorandum to assess the risk of the Fund and the Target Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect investments against all risks. The various asset classes generally exhibit different levels of risk.

| GENERAL RISKS OF THE FUND | |
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| Market risk | Market risk arises because of factors that affect the entire market place. Factors such as economic growth, political stability and social environment are some examples of conditions that have an impact on businesses, whether positive or negative. It stems from the fact that there are economy-wide perils, or instances of political or social instability which threaten all businesses. Hence, the Fund will be exposed to market uncertainties and fluctuations in the economic, political and social environment that will affect the market price of the investments either in a positive or negative way. |
| Fund management risk | The performance of the Fund depends on the experience and expertise of the fund manager to generate returns. Lack of any of the above mentioned may adversely affect the performance of the Fund. |
| Performance risk | This Fund is a feeder fund which invests in another collective investment scheme, namely the Target Fund. The performance of the Fund very much depends on the performance of the Target Fund. If the Target Fund does not |

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| | perform in accordance with its objective, the performance of the Fund will also be impacted negatively. The performance of the Target Fund and consequently of this Fund may go down as well as up, depending on the circumstances prevailing at a particular given time. On that basis, there is never a guarantee that investing in the Fund will produce a positive investment returns in accordance with its objective. |
| Inflation risk | Inflation risk is the risk of loss in the purchasing power due to general increase of consumer prices. Inflation erodes the nominal rate of your return giving you a lower real rate of return. Inflation is thus one of the major risks to you and results in uncertainty over the future value of investments. You are advised to take note that this Fund is not constituted with the objective of matching the inflation rate of Malaysia. The Fund has a specified objective that it seeks to achieve without having regard to the inflation rate. If your investment objective is to match the inflation rate (so as not to lose your purchasing power over time), this Fund may not be suitable for you. |
| Loan financing risk | If you intend to purchase Units of this Fund by means of borrowed/ financed moneys and pledging those Units as collateral for the borrowed/ financed moneys, you should be aware that if the NAV attributable to the Units falls below the borrowed/ financed amount, the lender may require you to provide additional forms of collateral. You should be aware that the cost of borrowing may rise if the interest rates move up especially if your borrowing is based on floating interest rates (i.e. not a fixed rate). Thus, the cost of borrowings may even be higher than any returns that you may eventually make from your investments in this Fund. |
| Risk of non-compliance | This refers to the risk where the Manager does not comply with the applicable rules, laws, regulations or the Deed. Although not every non-compliance will necessarily result in some losses to the Fund, there is always a risk that losses may be suffered by the Fund. For instance, if the Manager is forced to dispose off any investments of the Fund at loss to resolve the non-compliance. Notwithstanding that, the Manager has imposed stringent internal compliance controls to mitigate this risk. |
| Operational risk | 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 you. The Manager will regularly review its internal policies and system capability to mitigate instances of this risk. Additionally, the Manager maintains a strict segregation of duties to mitigate instances of fraudulent practices amongst employees of the Manager. |

| SPECIFIC RISKS OF THE FUND | |
|-----------------------------------|--|
| Concentration risk | The Fund is a feeder fund which invests in a single collective investment scheme. Any adverse effect on the Target Fund will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the Target Fund. This risk may be mitigated as the Manager is allowed to take temporary defensive positions in response to adverse market conditions. The Manager is also able to substitute the Target Fund with another fund with similar objective of the Fund if, in the Manager's opinion, the Target Fund no longer meets the Fund's objective subject to Unit Holders' approval with prior notification to SC. |
| Liquidity risk | This is the risk that the units of the Target Fund that is held by the Fund cannot be readily sold and converted into cash. This can occur when there is a restriction on repurchase of units of the Target Fund. The Target Fund Manager may suspend the repurchase of units, or delay the payment of repurchase proceeds in respect of any repurchase request received, during any |

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| | <p>periods in which the determination of the net asset value of the Target Fund is suspended. As a result, the Fund may not be able to receive the repurchase proceeds in timely manner which in turn may delay the payment of repurchase proceeds to the Unit Holders. In managing liquidity risk, the Manager will maintain a sufficient liquidity level for the purposes of meeting repurchase requests.</p> |
| Country risk | <p>Since the Fund invests in Target Fund which is established in Singapore and invests in developed and emerging markets, the Fund will be exposed to risks specific to Singapore as well as the countries that the Target Fund invests in. The changes or developments in the regulations, political environment and the economy of the above countries may impact the Target Fund which will in turn affect the Fund.</p> |
| Currency risk | <p>Currency risk is also known as foreign exchange risk where the risk is associated with the Fund's underlying investments which are denominated in different currencies than the Fund's Base Currency, i.e. SGD. The impact of the exchange rate movement between SGD and the currencies of the underlying investments may result in depreciation or appreciation of the value of the Fund's investments as expressed in SGD.</p> <p>Investors should also be aware that currency risk is applicable to Class(es) which are in different currencies than the Fund's Base Currency, i.e. SGD. The impact of the exchange rate movement between the Base Currency of the Fund and the currencies of the respective Class(es) may result in depreciation or appreciation of the investors' holdings as expressed in SGD.</p> |
| Target Fund Manager risk | <p>As a feeder fund, the Fund invests into the Target Fund which is managed by the Target Fund Manager. The Manager has no control over the investment technique and knowledge, operational controls and management of the Target Fund Manager. In the event of any mismanagement of the Target Fund, the NAV of the Fund, which invests substantially all of its assets into the Target Fund, would be affected adversely.</p> |

| SPECIFIC RISKS OF THE TARGET FUND | |
|--|--|
| Market risk | <p>The price of the securities comprised in the portfolio of the Target Fund and the units, and the income from them, may be influenced by political and economic conditions, changes in interest rates, the earnings of the corporations whose securities are comprised in the portfolio, and the market's perception of the securities.</p> |
| Liquidity risk | <p>The extent of market liquidity is dependent on the size and state of the markets and therefore affects the Target Fund's ability to acquire or dispose of assets at the price and time is so desires. Securities listed on the smaller emerging markets are generally less liquid in comparison to those listed on more developed markets and may therefore affect the Target Fund's ability to acquire or dispose off securities at the price and time desired. There may also be state regulations governing the outward remittance by foreign investors of their share of net profits and dividends and the repatriation of their investments in a foreign currency.</p> <p>In addition, the Target Fund is not listed on any stock exchange, and there is no ready secondary market for the units. Investors into the Target Fund may only redeem their units by completing a repurchase request and forwarding the same to the Target Fund Manager through their approved distributors. If there is a surge in repurchases at any particular time, the Target Fund Manager may impose a gate on repurchases. If that happens, repurchase of units and/or the payment of repurchase proceeds may be delayed. In addition, investors into the Target Fund may not realise their units during any period when realisation is suspended.</p> |

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| <p>Currency risk</p> | <p>As investments of the Target Fund may be denominated in foreign currencies, fluctuations of the exchange rates of foreign currencies against the base currency of the Target Fund may have an impact on the income of the Target Fund, and affect the value of the units.</p> <p>The Target Fund may also invest in securities that are denominated in a wide range of currencies, some of which may not be freely convertible. The net asset value of the Target Fund as expressed in its base currency will fluctuate in accordance with the changes in the foreign exchange rate between its base currency and the currency in which the Target Fund's investments are denominated. The Target Fund may therefore be exposed to foreign exchange / currency risks.</p> <p>The Target Fund Manager reserve the discretion to hedge, whether fully, partially or not at all, the foreign currency exposure of the Target Fund, and in the event partial or no hedging is made, the value of the units may be affected. In the event currency exposure is hedged, a passive hedging policy is usually adopted.</p> |
| <p>Interest rate and credit risk</p> | <p>Investments in debt securities are subject to interest rate fluctuations and credit risks, such as risk of default by the issuer, and are subject to adverse changes in general economic conditions, the financial condition of the issuer, or both, or an unanticipated rise in interest rates, which may impair the issuer's ability to make payments of interest and principal, resulting in a possible default by the issuer.</p> |
| <p>Equity risk</p> | <p>The Target Fund invests in stocks and other equity securities, which are subject to market risks and are in general more volatile than investment-grade fixed income securities. units may therefore be subject to greater price volatility.</p> |
| <p>Emerging markets risk</p> | <p>The Target Fund may invest in emerging markets securities which are in general more volatile than those of developed countries, with the result that units may be subject to greater price volatility.</p> <p>Some emerging markets do not have well-developed or consolidated bodies of securities laws and regulatory frameworks. There may be less public information on companies listed on such markets as compared to other stock markets. The audition and financial reporting methods used in some emerging markets may differ from internationally recognized standards, and information on the accounts of some companies listed on such markets may not be an accurate reflection of their financial strength.</p> <p>Investors would also have to take into account that trading volume in emerging markets may be substantially less than in the world's leading stock markets, and may have to be conducted at unfavourable prices. Securities of companies domiciled in emerging markets are less liquid, and more volatile than those domiciled in more developed stock markets, and this may result in fluctuation in price of the units. Emerging markets may not have fully developed custodian and settlement services and therefore investments in such markets are subject to a greater degree of risk.</p> <p>There may also be state regulations governing the outward remittance by foreign investors of their share of net profits and dividends and the repatriation of their investments in a foreign currency.</p> |
| <p>Foreign securities risks</p> | <p>The investments of the Target Fund may be affected by political instability as well as exchange controls, changes in taxation, foreign investment policies and other restrictions and controls which may be imposed by the relevant authorities in the other countries.</p> <p>The legal infrastructure and accounting, auditing and reporting standards in certain countries in which an investment may be made may no provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Foreign ownership restrictions in some markets may mean that corporate action entitlements in relation to any</p> |

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| | collective investment schemes or other investments the Target Fund is invested in, may not always be secured or may be restricted. |
| Country specific risk | The Target Fund may invest in securities of a limited number of countries. Where the Target Fund invests in a few, select countries, it will be exposed to fluctuations in the economies of these countries, and the market, currency, political, social environment, and other risks related specifically to these countries, which may affect the market price of its investments in these countries. Exposure to a limited number of countries also increases the potential volatility of the Target Fund due to the increased concentration risk as they are less diversified compared to exposure to specific regional or global markets. |
| Sector risk | The Target Fund may invest in specific industry sectors, which may result in greater than usual risks, and prices may also be subject to above-average volatility. Investors should be aware that there can be no assurance that the Target Fund's investments will be successful or that the investment objective of the Target Fund will be attained. |
| Small companies risk | The Target Fund may invest in smaller companies. Although smaller companies present more potential for growth, investing in smaller companies may involve greater risks in comparison to investing in larger and more established companies. Securities in smaller companies may be less liquid and more volatile than the securities of larger companies due to inadequate trading volume or restrictions on trading, resulting in fluctuations in the price of the units. |
| Income distribution | Investors should note that income of the Target Fund (if any) may be distributed to unit holders of the Target Fund at the absolute discretion of the Target Fund Managers. Sources of income for distribution include dividend and/or interest income and/or capital gains derived from the investments of the Target Fund. Such dividend and/or interest income may be adversely affected by events such as but are not limited to companies suffering unexpected losses, having lower than expected dividends, and adverse exchange rate fluctuations. In addition to the distributions to the unit holders of the Target Fund out of distributable income and/or capital gains, the Target Fund Manager may make capital distribution to its unit holders at such time as they deem fit where permitted and in accordance with the provisions of the relevant Deed. Where distributions are paid out of capital of the Target Fund, the capital and the net asset value of the Target Fund will be reduced and this will be reflected in the repurchase price of the units of the Target Fund. Unit holders redeeming their units from the Target Fund may therefore receive an amount less than their initial investment. Such distributions may also result in reduced future returns to the unit holders. |

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| <p>Financial derivatives risk</p> | <p>The Target Fund Manager may, in their absolute discretion, invest in FDIs, including, but not limited to, options on securities, forward contracts, over-the-counter options, interest rate swaps and swaptions, credit default swaps and swaptions, index futures and options, futures or options of any kind of financial instruments or structured notes such as credit-linked notes, equity-linked notes, and index-linked notes for the purposes of optimizing returns, hedging and/or efficient portfolio management.</p> <p>The Target Fund Manager may make use of the FDIs as allowed in the Code (referenced to the Code on Collective Investment Schemes dated 30 September 2011 issued by the Monetary Authority of Singapore, as may be amended from time to time).</p> <p>Where FDIs are used, the global exposure of the Target Fund to FDIs or embedded financial derivatives instruments shall not exceed 100% of the net asset value of the Target Fund at all times. The Target Fund Manager will use the commitment approach, as described in and calculated in accordance with the provisions of the Code, to determine the exposure to FDIs.</p> <p>In the event the Target Fund Manager enters into arrangement(s) with counterparty(ies) to net its OTC financial derivative positions for the Target Fund, the Target Fund Manager will obtain the legal opinion(s) as stipulated in paragraph 5.15 of Appendix 1 of the Code. Where the Target Fund invests in financial derivatives on commodities, such transactions shall be settled in cash at all times.</p> <p>The Target Fund Manager employs a risk management process in the investment of FDIs. The risks related to each FDI the Target Fund Manager invests in are duly measured, monitored and managed on an ongoing basis.</p> <p>All open positions / exposure in FDIs will be marked to market at a frequency at least equal to the frequency of the calculation of the net asset value of the Target Fund.</p> <p>The Target Fund Manager has a dedicated team which is responsible for oversight of, amongst other things, the monitoring of the Target Fund for compliance with the relevant investment guidelines. This team will be responsible for setting up and maintaining the checks on the investment guidelines and restrictions on both the automated and manual compliance systems, which over pre-trade and on-going review of the Target Fund.</p> <p>The Target Manager also has an established procedure to report breaches of the investment guidelines, if any.</p> <p>The Target Manager will ensure that the risk management and compliance procedures are adequate and have been or will be implemented and that they have the necessary expertise to manage the risks relating to the use of financial derivatives.</p> |
| <p>Risks associated with the use of FDIs</p> | <p>While the prudent and judicious use of derivatives by investment professionals can be beneficial, derivatives involve risks from different from, and in some cases, greater than, the risks presented by more traditional investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk, moratorium risk, capital control risk, tax risk, and leverage risk.</p> <p>The Target Fund Manager has the necessary expertise and controls for investments in derivatives and have in place systems to monitor the derivative positions for the Target Fund, if any.</p> <p>The viability of exercising derivative instruments depends on the market price of the investments to which they relate, and accordingly, the Target Fund Manager may from time to time decide that it is not viable to exercise certain derivatives held by the Target Fund within the prescribed period. In which case, any costs incurred in obtaining the derivative will not be recoverable. Additionally, the market price of the relevant investment may not exceed the</p> |

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| | exercise price attached to the derivative instrument at any time during the exercise period or at the time at which the warrants or options are exercised, and in such an event, this may result in an immediate loss to the Target Fund. |
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The above should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in the Target Fund. Potential investors should be aware that an investment in the Target Fund may be exposed to other risks of an exceptional nature from time to time.

6. WHAT ARE THE FEES AND CHARGES INVOLVED?

There are fees and charges involved and you are advised to consider the fees and charges before investing in the Fund.

The fees, charges and expenses quoted in this Information Memorandum are exclusive of GST. The Trustee, other service providers of the Fund and us will charge GST at the prevailing rate of 6% on the fees, charges and expenses in accordance with the Goods and Services Tax Act 2014.

The following are the charges that may be directly incurred by you.

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| Sales Charge | Up to 5.50% of the initial offer price of a Class during the initial offer period, thereafter, on the NAV per Unit of a Class. |
| Repurchase Charge | Not applicable |
| Transfer Fee | A RM5.00 transfer fee will be levied for each transfer of Units. |
| Switching Fee | <p>There are two (2) types of switching facilities available for the Fund, which are:-</p> <ol style="list-style-type: none"> 1) Switching between Class(es) of the Fund, and 2) Switching from this Fund into other funds managed by the Manager. <p>Note: There is a minimum number of Units that are required to be held within the Fund after a switching transaction is carried out. The minimum holding of Units vary between Class(es). Please refer to <i>Section 7 – “Dealing Information”</i> for further details.</p> <p>The switching fees applicable to the switching facilities set out above are as follows:-</p> <ol style="list-style-type: none"> 1) <i>Switching between Class(es) of the Fund</i> You are entitled to two (2) free switching transactions per calendar year per account when switching between the Class(es) of the Fund, provided that you meet the minimum holding of Units requirements of the Class that you intend to switch into. A switching fee of up to 1% of the NAV per Unit of the Class switched out from will be charged for any further switching transactions. 2) <i>Switching from this Fund into other funds managed by us</i> You are allowed to switch from the Fund into other funds managed by us provided that the currency denomination of the fund that you intend to switch into is the same as the Fund. A switching fee of up to 1% of the NAV per Unit of the Class switched out from the Fund will be charged within the first six (6) months from the date of your investment. |

The following are the fees and expenses that you may indirectly incur when you invest in the Fund

With the issuance of multiple Class(es) in this Fund, the **indirect** fees and/or charges for the Fund are apportioned based on the size of the Class relative to the whole Fund. This means that the multi-class ratio is calculated by taking the “*value of a Class before income & expenses*” for a particular day and dividing it with the “*value of the Fund before income & expenses*” for that same day. This apportionment is expressed as a ratio and calculated as a percentage.

As an illustration, assuming there is an indirect fee chargeable to the Fund of SGD 100 and assuming further the size of the SGD Class over the size of the Fund is 60% whereas the size of the MYR Class over the size of the Fund is 40%, the ratio of the apportionment based on the percentage will be 60:40, 60% being borne by the SGD Class.

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| <p>Annual Management Fee</p> | <p>The annual management fee is up to 1.80% per annum of the NAV of the Fund. The management fee is calculated and accrued daily and payable monthly to us.</p> <p>Assuming that the NAV of the Fund is SGD 120 million for the day, then the daily accrued management fee would be:-</p> $\frac{\text{SGD 120 million} \times 1.80\%}{365 \text{ days}} = \text{SGD 5,917.81 per day}$ <p>The management fee is only charged at the Fund level. The management fee chargeable by the Target Fund will be paid out of the annual management fee charged by us at the Fund level. There is no double charging of the management fee.</p> <p>The management fee is apportioned to each Class based on the multi-class ratio.</p> <p><i>Note: For Unit Holders of a Class other than SGD Class, the management fee payable shall be reflected in MYR /USD in the Fund's financial report.</i></p> |
| <p>Annual Trustee Fee</p> | <p>The Fund pays an annual trustee fee of up to 0.06% per annum of the NAV of the Fund or its equivalent in the Base Currency (excluding foreign custodian fees and charges). The Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities.</p> <p>The trustee fee is calculated and accrued daily and payable monthly to the Trustee.</p> <p>Assuming that the NAV of the Fund is SGD 120 million for the day, then the daily accrued trustee fee would be:-</p> $\frac{\text{SGD 120 million} \times 0.06\%}{365 \text{ days}} = \text{SGD 197.26 per day}$ <p>The trustee fee is apportioned to each Class based on the multi-class ratio.</p> <p><i>Note: For Unit Holders of a Class other than SGD Class, the trustee fee payable shall be reflected in MYR /USD in the Fund's financial report.</i></p> |
| <p>Administrative Fee</p> | <p>Only fees and expenses that are directly related and necessary to the business of the Fund may be charged to the Fund. These include the following:</p> <ul style="list-style-type: none"> (a) Commissions or fees paid to brokers and dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes; (b) (where the custodial function is delegated by the Trustee for the custody of foreign investments) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund; (c) Tax and other duties charged on the Fund by the government and/or other authorities; (d) Costs, fee and other expenses properly incurred by the auditor appointed for the Fund; (e) Costs, fees and expenses incurred for the valuation of any investments of the Fund by independent valuers for the benefit of the Fund; (f) Costs, fees and expenses incurred for any modification of the Deed save |

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| | <p>where modification is for the benefit of the Manager and/or the Trustee;</p> <p>(g) Costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or Trustee;</p> <p>(h) any tax such as GST and/or other indirect or similar tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred by the Fund; and</p> <p>(i) Other fees and expenses related to the Fund allowed under the Deed.</p> <p>All expenses are apportioned to each Class based on the multi-class ratio.</p> | | | | | | |
| Maximum Rate of Fees And Charges Allowable By The Deed | <p>We may impose higher fees and charges up to the following stated maximum rate, provided that we have taken the necessary procedures (please refer to page 23 for details) to increase the fees and charges.</p> <table border="1"> <tr> <td>Sales Charge</td> <td>10.00% of the NAV per Unit</td> </tr> <tr> <td>Annual Management Fee</td> <td>5.00% per annum of the NAV of the Fund calculated and accrued daily</td> </tr> <tr> <td>Annual Trustee Fee</td> <td>0.10% per annum of the NAV of the Fund or its equivalent in the Base Currency of the Fund calculated and accrued daily (excluding foreign custodian fees and charges)</td> </tr> </table> | Sales Charge | 10.00% of the NAV per Unit | Annual Management Fee | 5.00% per annum of the NAV of the Fund calculated and accrued daily | Annual Trustee Fee | 0.10% per annum of the NAV of the Fund or its equivalent in the Base Currency of the Fund calculated and accrued daily (excluding foreign custodian fees and charges) |
| Sales Charge | 10.00% of the NAV per Unit | | | | | | |
| Annual Management Fee | 5.00% per annum of the NAV of the Fund calculated and accrued daily | | | | | | |
| Annual Trustee Fee | 0.10% per annum of the NAV of the Fund or its equivalent in the Base Currency of the Fund calculated and accrued daily (excluding foreign custodian fees and charges) | | | | | | |

7. DEALING INFORMATION

You are advised not to make payment in cash to any individual agent when purchasing Units of the Fund.

If you are intending to invest in a Class other than MYR Class, you are required to have a foreign currency account with any Financial Institutions as all transactions relating to the particular foreign currency will ONLY be made via telegraphic transfers.

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| Pricing of Units | <p>The Selling Price and the Repurchase Price of the Fund shall be equivalent to the NAV per Unit of the Fund. During the initial offer period, the Selling Price per Unit and the Repurchase Price per Unit is equivalent to the initial offer price of the Fund. After the initial offer period, Forward Pricing will be used to determine the Selling Price per Unit and Repurchase Price per Unit of the Fund, which is the NAV per Unit as at the next valuation point after the purchase and repurchase request has been received by us.</p> |
| How Can I Invest? | <p>You can obtain the Information Memorandum, account opening form and investment application form from our offices listed in Section 12 - Directory of Sales or from any of the our authorised agents. The Fund's application form can be handed directly to any of the said offices, or sent by mail, together with proof of payment of the telegraphic transfer. Bank charges, where relevant, will be borne by you.</p> <p>Please note that other than telegraphic transfer, no other form of payment is allowed.</p> <p>Units will be sold on any Business Day between 9.00 a.m. to 3.30 p.m. at any of the locations set out in Section 12 - Directory of Sales.</p> <p><u>For first time investors</u></p> <p>Individual or joint-application must be accompanied by a copy of the applicant's identity card or passport or other document of identification. Application by a corporation must be accompanied by a certified true copy of its Memorandum and Articles of Association, Certificate of Incorporation, Form 24, Form 44, Form 49, the latest audited financial statement of the corporation and board resolution relating to the investment, a list of the corporation's authorised signatories and specimen signatures of the respective</p> |

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| | <p>signatories.</p> <p>Please note that if you are a US Person, you are not eligible to subscribe to the Units. If we become aware that you are a US Person who holds Units, we will issue a notice requiring you to:-</p> <ol style="list-style-type: none"> 1. withdraw your Units; or 2. transfer your Units to a non-US Person; <p>within thirty (30) days from the date of the said notice.</p> | | |
| How Can I Redeem? | <p>You may repurchase your Units by completing a repurchase application form and returning it to us on any Business Day between 9:00 a.m. to 3.30 p.m. Repurchase of Units must be made in terms of Units and not in SGD, MYR or USD value.</p> <p>You must elect whether to receive the proceeds in a manner of cheque or telegraphic transfer. If cheque is elected, it will be issued in the name of the Unit Holder. If telegraphic transfer is elected, proceeds will be transferred to your account.</p> <p>Any incurred bank charges and other bank fees due to a withdrawal by way of telegraphic transfer, bank cheque or other special arrangement method will be borne by you.</p> | | |
| TRANSACTION DETAILS | | | |
| Class(es) of the Fund | SGD Class | MYR Class | USD Class |
| Minimum Initial Investment* | SGD 10,000 | MYR 30,000 | USD 10,000 |
| Minimum Additional Investment* | SGD 5,000 | MYR 10,000 | USD 5,000 |
| Minimum Units Held* | 20,000 Units | 60,000 Units | 20,000 Units |
| | <p>If the balance of your investment (i.e. total number of Units) is less than the minimum holding of Units, you will be required to make an additional investment in order to meet the required minimum balance of investment. Otherwise, we may redeem all your holding of Units in the Fund and pay the proceeds to you.</p> | | |
| Frequency and Minimum Units Redeemed | <p>There are generally no limits in the frequency of redemption. However, investors will be required to comply with the minimum Units held (which may change at the discretion of the Manager).</p> <p>Applications for repurchase must be submitted to us on any Business Day between 9.00 a.m. to 3.30 p.m. Such repurchase requests are deemed received only if all documents and forms received by us are duly and correctly completed.</p> | | |
| Period of Payment of Repurchase Proceeds | <p>You will be paid within fourteen (14) days from the day the repurchase request is received by us and provided that all documentations are completed and verifiable.</p> <p>However, if the request to the Trustee to repurchase or cancel the Units results in the sale of assets of the Fund, or sale of assets which cannot be liquidated at an appropriate price or on adequate terms and is as such not in the interest of existing Unit Holders, the Trustee may refuse the said request in accordance to the Deed.</p> | | |
| Cooling Off Period | <p>Within 6 Business Days from the initial application of Units is received by us.</p> <p>This right is available if you are investing in any funds managed by us for the first time.</p> | | |

* Subject to the Manager's discretion, the investor may negotiate for a lower amount or value.

| <p>Transfer Facility</p> | <p>You are permitted to transfer your Units to another person at any point in time by completing the transfer application form. There is no specific amount of Units required to be transferred. However, Unit Holders are required to comply with the minimum units held after the transfer to remain as a Unit Holder of this Fund. The transfer must be made in terms of Units and not SGD, MYR or USD value.</p> <p>Please note that the person who is in receipt of the Units must be a Sophisticated Investor as well.</p> | | | | | | |
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| <p>Switching Facility</p> | <p>There are no restrictions on the frequency of switching; however, there is a minimum number of Units for switching between Class(es), as following:</p> <table border="1" data-bbox="596 491 1406 585"> <thead> <tr> <th>SGD Class</th> <th>MYR Class</th> <th>USD Class</th> </tr> </thead> <tbody> <tr> <td>20,000 Units</td> <td>60,000 Units</td> <td>20,000 Units</td> </tr> </tbody> </table> <p>Also, you are to note that we reserve the right to reject any switching requests:</p> <ol style="list-style-type: none"> (1) that it regards as disruptive to efficient portfolio management; or (2) if deemed by us to be contrary to the best interest of the Fund or the existing Unit Holders of a particular Class. <p>In addition, there are two (2) types of switching facilities which are available for the Fund, namely 1) <i>switching between Class(es) of the Fund</i> and 2) <i>switching from the Fund into other funds managed by us</i>, so long as the currency denomination of the fund that you intend to switch into is the same as the Fund. The switching processes have been individually detailed below:-</p> <p>Switching between Class(es) of the Fund</p> <p>You are permitted to switch from your current holdings in a particular Class to any other Class(es) of the Fund. Switching will be made at the prevailing NAV per Unit of the Class to be switched from and the intended Class to be acquired on a Business Day, when the switching request is received or deemed to have been received by us.</p> <p>You are entitled to two (2) free switching transactions per calendar year per account when switching between the Class(es) of the Fund provided that you meet the minimum holding of Units requirements of the Class that you intend to switch into. A switching fee of up to 1% of the NAV per Unit of each Class will be charged for any further switching transactions.</p> <p>Under no circumstances is the Unit Holder entitled to any refund of the Sales Charge (where applicable) paid on the Class being switched from, which exceeds that imposed on the intended Class to be acquired.</p> <p>Switching from the Fund into other funds managed by us</p> <p>You are permitted to switch from and into other funds managed by us so long as the currency denomination of the fund that you intend to switch into is the same as the Fund. A switching fee of up to 1% of the NAV per Unit of the Class switched out from the Fund will be within the first six (6) months from the date of your investment.</p> <p>The switching will be made at the prevailing NAV per Unit of the Fund and the intended fund to be switched into on a Business Day when the switching request is received or deemed to have been received by us (subject to availability and terms of the fund that you intend to switch into, if any).</p> <p>If you wish to switch into another fund (e.g. fund A) and the Sales Charge paid by you is less than the sales charge of fund A, you shall pay the difference between the two (2) funds. Conversely, no sales charge on fund A will be imposed on you, should it be less than or equal to the Sales Charge you have paid for the Fund.</p> <p>You are allowed to switch into any other funds managed by us (subject to the availability and terms of the fund that you intend to switch into).</p> | SGD Class | MYR Class | USD Class | 20,000 Units | 60,000 Units | 20,000 Units |
| SGD Class | MYR Class | USD Class | | | | | |
| 20,000 Units | 60,000 Units | 20,000 Units | | | | | |

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| | <p>Under no circumstances you are entitled to any refund on the Sales Charge that you have paid when you invested in the Fund if it exceeds the sales charge of the fund that you intend to switch into.</p> <p>We reserve the right to reject any switching request:-</p> <ol style="list-style-type: none"> (1) that we regard as disruptive to efficient portfolio management; or (2) if deemed by us to be contrary to the best interest of the Fund. |
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8. VALUATION POLICY AND VALUATION BASIS

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| Valuation of Fund | <p>The Fund will be valued at 5.00 p.m. on every Business Day (or “trading day” or “T” day). However, if the Fund has exposure to investments outside of Malaysia, the Fund shall be valued at 11.00 a.m. on the next Business Day (or “T + 1”). All foreign assets are translated into the Base Currency based on the exchange rate quoted by Bloomberg or Reuters at 4.00 p.m. (United Kingdom time) which is equivalent to 11 p.m. or 12 a.m. midnight (Malaysian time) on the same day, or at such time as stipulated in the investment management standards issued by the FiMM. If the foreign market in which the Fund is invested in is closed for business, we will value the underlying assets based on the latest available price as at the day the particular foreign market was last opened for business.</p> |
| Valuation of Assets | <p>In valuing the Fund’s investments, we will ensure that all the assets of the Fund will be valued at fair value and in accordance to the Financial Reporting Standard 139 issued by the Malaysian Accounting Standards Board.</p> <p>Unlisted Collective Investment Schemes</p> <p>Investments in unlisted collective investment schemes shall be valued based on the last published repurchase price.</p> <p>Fixed Deposit</p> <p>Valuation of fixed deposits placed with Financial Institutions will be done by reference to the principal value of the fixed deposits and the interests accrued thereon for the relevant period.</p> <p>Money Market Instruments</p> <p>Valuation of money market instruments will be based on amortised costs.</p> <p>Derivatives</p> <p>The valuation of derivatives will be based on the rates provided by the respective issuers. For foreign exchange forward contracts (“FX Forwards”), we will apply interpolation formula to compute the value of the FX Forwards based on the rates provided by the Bloomberg. If the rates are not available on the Bloomberg, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where we are unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance to fair value as determined in good faith by us, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</p> <p>Any Other Investment</p> <p>Fair value as determined in good faith by us, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.</p> |

9. RELEVANT PARTIES TO THE FUND

About Us – Affin Hwang Asset Management Berhad

We were incorporated in Malaysia on 2 May 1997 under the Companies Act 1965 and began our operations under the name Hwang-DBS Capital Sdn. Bhd. in 2001. In early 2014, we were acquired by the Affin Banking Group (“Affin”) and hence, we are now supported by a major home-grown financial services conglomerate. Affin has over 38 years of experience in financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Additionally, we are also 30% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co. Ltd, an independent Asian investment management franchise.

We offer a wide range of unit trust products, private mandates and investment solutions to private clients, as well as to retail clients. These include conventional equities, balanced, bond, money market, capital guaranteed, capital protected, global, structured and feeder funds, as well as Shariah-compliant equity, Islamic money market instruments and Islamic fixed income funds.

Our Role as the Manager

We are responsible for the investment management and marketing of the Fund; servicing Unit Holders’ needs; keeping proper administrative records of Unit Holders and the Fund; ensuring compliance with stringent internal procedures and guidelines of relevant authorities.

Our Investment Team

Our investment team comprises a group of portfolio managers who possess the necessary expertise and experience to undertake the fund management of its unit trust funds. The investment team will meet at least once a week or more should the need arise. The designated fund manager of the Fund is:-

Mr. David Ng Kong Cheong – Chief Investment Officer

Mr. David Ng joined the Manager in September 2002 as a Portfolio Manager and was appointed as Chief Investment Officer on 1 September 2006, to oversee the equities, fixed income and the central dealing units. He graduated with both Bachelor of Commerce (Accounting) and Bachelor of Law degrees from Monash University in Melbourne, Australia and he is also Chartered Financial Analyst charter holder. In total, David has over 15 years of investment experience in managing both institutional and unit trust funds.

Mr. David Ng’s key responsibilities at the Manager is setting the investment strategy for the assets under management, and the management of selected portfolios.

About the Trustee – Deutsche Trustees Malaysia Berhad

Deutsche Trustees Malaysia Berhad (“DTMB”) (Company No. 763590-H) was incorporated in Malaysia on 22 February 2007 and commenced business in May 2007. The company is registered as a trust company under the Trust Companies Act 1949, with its business address at Level 20, Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur. DTMB is a member of Deutsche Bank Group (“Deutsche Bank”), a global investment bank with a substantial private client franchise. With more than 100,000 employees in more than 70 countries, Deutsche Bank offers financial services throughout the world.

Duties and Responsibilities of the Trustee

The Trustee’s main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders of the Fund. In performing these functions and duties, the Trustee has to exercise all due care and vigilance and is required to act in accordance with the provisions of the Deed, all relevant laws and the Guidelines.

10. RELATED INFORMATION

Your Rights and Liabilities

You have the right, among others, to the followings:-

- (a) To receive the distribution of income, participate in any increase in the value of the Units and to other such rights and privileges as set out under the Deed for the Fund;
- (b) To call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution; and
- (c) To receive quarterly and annual reports.

However, you would not have the right to require the transfer to you of any of the assets of the Fund. Neither would you have the right to interfere with or question the exercise by the Trustee or the Manager on his behalf, of the rights of the Trustee as the registered owner of the assets of the Fund.

You are not liable to the followings:-

- (a) For any amount in excess of the purchase price paid for the Units as determined pursuant to the Deed at the time the Units were purchased and any charges payable in relation thereto;
- (b) For any obligation to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and the Manager 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 NAV of the Fund, and any right of indemnity of the Trustee and/or the Manager shall be limited to recourse to the Fund.

Provisions Regarding Unit Holders' Meetings

Unit Holders' Meeting convened by the Unit Holders

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund or of a particular Class, as the case may be, summon a meeting of the Unit Holders of the Fund or of that Class by:

- (a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders or Unit Holders of a particular Class, as the case may be; and
- (b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:-

- (a) requiring the retirement or removal of the Manager;
- (b) requiring the retirement or removal of the Trustee;
- (c) considering the most recent financial statements of the Fund; or
- (d) giving to the Trustee such directions as the meeting thinks proper;

provided always that the Manager shall not be obliged to summon any such meeting unless direction has been received from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund or all the Unit Holders of a particular Class.

Unit Holders' Meeting convened by the Trustee

Notwithstanding anything herein the Deed contained, and unless otherwise required or allowed by the relevant laws, a meeting of the Unit Holders summoned by the Trustee for the purpose of authorising the exercise of the right to vote by the Manager and/or the Trustee in respect of any shares forming part of the investments of the Fund which are held by the Manager and/or the Trustee at any election for the appointment of any director of a corporation whose shares are so held shall be summoned by:

- (a) sending by post at least fourteen (14) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders; and

- (b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

All such notices and advertisement to the Unit Holders shall specify the place, time and terms of the resolutions to be proposed.

Where the Trustee summons a Unit Holders' meeting in the event:

- (a) the Manager is in liquidation;
- (b) in the opinion of the Trustee, the Manager has ceased to carry on business; or
- (c) in the opinion of the Trustee, the Manager has, to the prejudice of Unit Holders, failed to comply with the Deed or contravened any of the provisions of the Act.

Or where the Trustee may also summon a Unit Holders' meeting for any purpose including, without limitation, for the purpose of:

- (a) requiring the retirement or removal of the Manager;
- (b) giving instructions to the Trustee or the Manager if the Trustee considers that the investment management policies of the Manager are not in the interests of Unit Holders;
- (c) securing the agreement of the Unit Holders to release the Trustee from any liability;
- (d) deciding on the next course of action after the Trustee has suspended the sale and repurchase of Units pursuant to Clause 6.9.1 of the Deed; and
- (e) deciding on the reasonableness of the annual management fee charged to the Fund or each Class.

Then, a meeting of the Unit Holders summoned by the Trustee shall be summoned by:

- (a) sending by post at least twenty-one (21) days before the date of the proposed meeting a notice of the proposed meeting to each of the Unit Holders at the Unit Holder's last known address or, in the case of Jointholders, to the Jointholder whose name stands first in the records of the Manager at the Jointholder's last known address; and
- (b) publishing at least twenty-one (21) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

Unit Holders' Meeting convened by the Manager

The Manager may for any purpose whatsoever summon a meeting of the Unit Holders by sending by post at least fourteen (14) days before the date of the proposed meeting, or such other time as may be prescribed by the relevant laws, a notice of the proposed meeting to all the Unit Holders. All such notices and advertisement to the Unit Holders shall specify the place, time and terms of the resolutions to be proposed.

Quorum Required for Convening a Unit Holders' Meeting

The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders (irrespective of the Class), whether present in person or by proxy, provided that if the Fund or a Class has five (5) or less Unit Holders (irrespective of the Class), the quorum required for a meeting of the Unit Holders of the Fund or a Class shall be two (2) Unit Holders (irrespective of the Class), whether present in person or by proxy; if the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation (irrespective of the Class) of the Fund or the particular Class at the time of the meeting.

Termination of the Fund

The Fund may be terminated or wound up subject to a Special Resolution being passed at a Unit Holders' meeting to terminate or wind up the Fund.

Termination of a Class of Units

The Manager may terminate a particular Class via the passing of a Special Resolution by the Unit Holders of such Class at a meeting of such Unit Holders, and subject to and in accordance with the relevant laws. The Manager may only terminate a particular Class if the termination of that Class does not prejudice the interests of Unit Holders of any other Class. For the avoidance of doubt, the termination of a Class shall not affect the continuity of any other Class.

Procedures to be taken to increase the Fees and Charges from the current amount stipulated in the Information Memorandum

We may not charge a Sales Charge at a rate higher than that disclosed in a prevailing information memorandum unless:-

- (a) we have notified the Trustee in writing of the higher rate and the date on which such higher rate is to become effective; and
- (b) a supplemental/replacement information memorandum is issued thereafter.

We or the Trustee may not charge an annual management fee and/or an annual trustee fee at a rate higher than that disclosed in a prevailing information memorandum unless:

- (a) both the trustee and the Manager have come to an agreement on the higher rate;
- (b) we have notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; and
- (c) a supplemental/replacement information memorandum stating the higher rate is issued thereafter.

Goods And Services Tax

The Royal Malaysian Customs Department has announced the implementation of GST with effect from 1 April 2015 onwards pursuant to the Goods and Services Tax Act 2014. Collective investment schemes are generally exempted from GST. However, some fees, charges and expenses of the Manager, Trustee or the Fund are subject to GST which includes:

- (a) Sales Charge (if any);
- (b) Repurchase Charge (if any);
- (c) Switching fee (if any);
- (d) Transfer fee;
- (e) Management fee;
- (f) Trustee fee; and
- (g) Any other expenses of the Fund that may be confirmed to be GST taxable by the Royal Malaysian Customs Department.

The Trustee, other service providers of the Fund and us will charge GST at the prevailing rate of 6% on the abovementioned fees, charges and expenses in accordance with the Goods and Services Tax Act 2014. You should be aware that all fees, charges and expenses referred to or quoted in the Information Memorandum (including any supplemental information memorandum) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of GST.

Incorrect Pricing

Subject to any relevant law, if there is an error in the pricing of the NAV per Unit of a particular Class, we will take immediate remedial action to correct the error. Rectification shall, where necessary, extend to the reimbursement of money as follows if the error is at or above the significant threshold of 0.5% of the NAV per Unit attributable to a Class unless the total impact on a Unit Holder's account of each Class is less than SGD 10.00, or its foreign currency equivalent:

- (a) if there is an over pricing in relation to the purchase and creation of Units, the Fund shall reimburse the Unit Holder;
- (b) if there is an over pricing in relation to the repurchase of Units, the Manager shall reimburse the Fund;
- (c) if there is an under pricing in relation to the purchase and creation of Units, the Manager shall reimburse the Fund; and

- (d) if there is an under pricing in relation to the repurchase of Units, the Fund shall reimburse the Unit Holder or former Unit Holder.

The Manager retains the discretion whether or not to reimburse if the error is below 0.5% of the NAV per Unit of each Class and where the total impact on an individual account is less than SGD 10.00 or its foreign currency equivalent in absolute amount. This is because the reprocessing costs may be greater than the amount of the adjustment.

Policy on Gearing and Minimum Liquid Assets Requirements

The Fund is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the SC's Guidelines on Securities Borrowing and Lending [SBL Guidelines]) in connection with its activities.

Except for securities lending as provided under the SBL Guidelines, none of the cash or investments of the Fund may be lent. Further, the Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person. In structuring the portfolio of the Fund, we will maintain sufficient liquid assets to ensure short term liquidity in the Fund to meet operating expenses.

Policy on Stockbroking Rebates and Soft Commissions

We or any of our delegates thereof will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker/dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.

The soft commission can be retained by us or any of our delegates thereof provided that the goods and services are of demonstrable benefit to the Unit Holders such as research materials, data and quotation services, financial wire services and investment related tools/publication which are incidental to the investment management activities of the Fund.

Anti-Money Laundering Policies and Procedures

Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001, it is our responsibility to prevent the use of the Fund for money laundering and terrorism financing activities. To this end, we have put in place anti-money laundering policies and procedures to combat such activities. Amongst others, prior to the establishing or conducting business relations, particularly when opening new accounts for clients and entering into a fiduciary transaction with a client, we will conduct a "Know Your Customer" procedures to identify and verify the client through documents such as identity card, passport, birth certificate, driver's licence, constituent documents or any other official documents, whether in the possession of a third party or otherwise. Such documents shall be filed and retained by us in accordance with relevant laws. We will thereafter perform a Customer Due Diligence (CDD) to identify the risk profile of each customer and will continuously monitor each customers risk profile should there be any changes. Enhanced Customer Due Diligence (EDD) is performed on customers deemed as high risk and senior management's approval is required before a business relationship is entered into or an account is opened with such customers.

Where we suspect that a particular transaction may not be genuine, a Suspicious Transactions Form (STF) shall be completed and the matter will be discussed with senior management. If senior management ascertains that there is a reasonable ground to suspect the transaction to be a money laundering or terrorism financing activity, a STF will then be submitted to the Financial Intelligence and Enforcement Department of Bank Negara Malaysia.

11. INVESTORS INFORMATION

How will I be informed of my investment?

We will send you:-

- (a) a financial reports with an annual report within two (2) months of the Fund's financial year-end and a quarterly report within two (2) months of the end of the period covered. In both annual and quarterly reports, we will state our view on the performance of the portfolio and market review for the reporting period.
- (b) a monthly statement confirming the current shareholdings and transactions relating to your Units in the Fund.

You can also seek assistance from our Customer Service personnel at our office or at any location listed in Section 12 during the office hour. Alternatively, you can communicate via our toll free number 1-800-88-7080 or email to customercare@affinhwangam.com.

12. DIRECTORY OF SALES OFFICE

HEAD OFFICE

Suite 11-01, 11th Floor,
Menara Keck Seng,
203, Jalan Bukit Bintang,
55100 Kuala Lumpur.
Tel : (603) – 2116 6000
Fax : (603) – 2116 6100
Toll Free No : 1-800-88-7080
Email: customercare@affinhwangam.com

SELANGOR

A-7-G Jaya One,
No. 72A, Jalan Universiti,
46200, Petaling Jaya, Selangor.
Tel: (603)-7620 1290
Fax: (603)-7620 1298

JOHOR

1st Floor, No. 93, Jalan Molek 1/29,
Taman Molek,
81100 Johor Bahru, Johor.
Tel : 07 – 351 5677/ 5977
Fax : 07 – 351 5377

PENANG

No. 10-C-23 & 10-C-24, Precinct 10,
Jalan Tanjung Tokong,
10470 Penang.
Tel : (604) - 899 8022
Fax : (604) - 899 1916

PERAK

13A, Persiaran Greentown 7,
Greentown Business Centre,
30450 Ipoh, Perak.
Tel: (605) - 241 0668
Fax: (605) – 255 9696

MELAKA

Ground Floor, No. 584,
Jalan Merdeka, Taman Melaka Raya,
75000 Melaka.
Tel : (606) – 281 2890
Fax : (606) – 281 2937

SABAH

Lot No. B-2-09, 2nd Floor,
Block B, Warisan Square,
Jalan Tun Fuad Stephens,
88000 Kota Kinabalu, Sabah.
Tel : (6088) - 252 881
Fax : (6088) - 288 803

SARAWAK

Ground Floor, No. 69,
Block 10, Jalan Laksamana Cheng Ho,
93200 Kuching, Sarawak.
Tel : (6082) – 233 320
Fax : (6082) – 233 663

1st Floor, Lot 1291,
Jalan Melayu, MCLD,
98000 Miri, Sarawak.
Tel : (6085) - 418 403
Fax : (6085) – 418 372

www.affinhwangam.com