Outthink. Outperform.

AFFIN HWANG CAPITAL
Asset Management

Prospectus

Affin Hwang
Flexible Maturity Income Fund 19

MANAGER
Affin Hwang Asset Management Berhad
(Registration No. 199701014290 (429786-T))

TRUSTEE
TMF Trustees Malaysia Berhad
(Registration No. 200301008392 (610812-W))

This Prospectus is dated 25 August 2020.
The Affin Hwang Flexible Maturity Income Fund 19 was constituted on 25 August 2020*.
** The constitution date of this Fund is also the launch date of this Fund.*

The Fund is open for sale during the Offer Period only.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 4.

! YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.

Responsibility Statements

This Prospectus has been reviewed and approved by the directors of Affin Hwang Asset Management Berhad and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, 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 the Prospectus false or misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the Fund and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

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

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

Additional Statements

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

This Prospectus 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 to which this Prospectus relates may be made in any Foreign Jurisdiction or under any circumstances where such action is unauthorised.

Units of the Fund will only be issued or sold during the Offer Period.

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

CHAPTER PAGE

CORPORATE DIRECTORY ii

ABBREVIATION 1

GLOSSARY 1

RISK FACTORS 4

ABOUT AFFIN HWANG FLEXIBLE MATURITY INCOME FUND 19 8

DEALING INFORMATION 16

ABOUT THE FEES AND CHARGES 20

PRICING 24

SALIENT TERMS OF THE DEED 28

THE MANAGER 33

THE TRUSTEE 35

RELATED PARTIES TRANSACTION AND CONFLICT OF INTEREST 36

TAX ADVISER'S LETTER 37

RELEVANT INFORMATION 42

CONSENTS 44

DOCUMENTS AVAILABLE FOR INSPECTION 45

DIRECTORY OF SALES OFFICE 46

CORPORATE DIRECTORY

The Manager/AHAM
Affin Hwang Asset Management Berhad (199701014290)
Registered Office
27th Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur
Business Address
Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 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/AHAM

- Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad (Chairman, Non-independent Director)
- Mr Teng Chee Wai (Non-Independent Director)
- Ms Eleanor Seet Oon Hui (Non-independent Director)
- Mr Yip Kit Weng (Non-independent Director)
- Encik Faizal Sham bin Abu Mansor (Independent Director)
- Maj. Gen. Dato' Zulkiflee bin Mazlan (R) (Independent Director)

The Manager's Delegate
(fund valuation & accounting function)
TMF Trustees Malaysia Berhad (200301008392)
Business Address
10th floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur
Tel No. : (603) 2382 4288
Fax No. : (603) 2026 1451

The Trustee
TMF Trustees Malaysia Berhad (200301008392)
Registered & Business Address
10th floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur
Tel No. : (603) 2382 4288
Fax No. : (603) 2026 1451

Trustee's Delegate (Local and Foreign Custodian)
Standard Chartered Bank Malaysia Berhad (312552-W)
Business Address
Level 26, Equatorial Plaza
Jalan Sultan Ismail,
50250 Kuala Lumpur
Tel No. : (603) 2117 7777
Fax No. : (603) 7682 0617

ABBREVIATION

FiMM	Federation of Investment Managers Malaysia.
Fitch	Fitch Ratings Inc.
IUTA	Institutional Unit Trust Advisers.
MARC	Malaysian Rating Corporation Berhad.
Moody's	Moody's Investors Service.
MYR	Ringgit Malaysia.
OTC	Over-the-counter.
PHS	Product Highlights Sheet.
RAM	RAM Rating Services Berhad.
SC	Securities Commission Malaysia.
Standard & Poor's	Standard & Poor's Financial Services LLC.

GLOSSARY

the Act or CMSA 2007	Means the Capital Markets and Services Act 2007 as originally enacted and amended or modified from time to time.
Board	The Board of Directors of the Manager.
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. The Manager may declare certain Business Days a non-Business Day when deemed necessary, such as in the event of market disruption.
Commencement Date	Means the date of this Prospectus 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.
Communiqué	Refers to the notice issued by us, the Manager to you, the Unit Holder.
Deed(s)	Refers to the Deed dated 8 May 2020 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the Deed.
deposit(s)	Has the same meaning as the definition of "deposit" in the Financial Services Act 2013. For the avoidance of doubt, it shall exclude structured deposit.
Early Maturity	An event where the Fund is unwound on or after the first (1st) anniversary of the Investment Date up to 30 days before the 5th anniversary of the Fund's Investment Date, subject to the Fund achieving early maturity requirements (please refer to "Early Maturity" at page 11 for further details).
Early Maturity Communiqué	Refers to the Communiqué issued to Unit Holders, notifying that the Early Maturity is exercised and that the Fund will be unwound on the Early Maturity Date.
Early Maturity Date	Refers to the 10th Business Day immediately following the date which the Manager issues the Early Maturity Communiqué to Unit Holders, notifying that the Fund has met the Early Maturity requirements and the Fund will be unwound on the Early Maturity Date. In the event the Manager deems to be unable to liquidate all the assets on the 10th Business Day, the Manager will issue a Communiqué to Unit Holders to extend the Early Maturity Date by up to the 20th Business Day from the date the Early Maturity Communiqué is issued. The Early Maturity Date may fall on a date, earliest on the 1st

	anniversary of the Investment Date up to the date, 30 days before the 5th anniversary of the Investment Date.
Financial Institution	Means (1) if the institution is in Malaysia – (i) Licensed Bank; (ii) Licensed Investment Bank; or (iii) Licensed Islamic Bank; (2) if the institution is outside Malaysia, any institution that is licensed or registered or approved or authorised to provide financial services by the relevant banking regulator.
Fund	Refers to Affin Hwang Flexible Maturity Income Fund 19.
Guidelines	*Guidelines on Unit Trust Funds* issued by the SC and as amended or modified from time to time.
Institutional Unit Trust Advisers (IUTA)	Means an institution or organisation or corporation that is licensed by the SC for the purpose of carrying out dealing in securities restricted to unit trusts and is duly registered with the FiMM to market and distribute unit trust funds.
Investment Date	Means the date on which the investment of the Fund may first be made and it is the date which begins on the next Business Day immediately after the expiry of the Offer Period. A reference to the Fund's anniversary shall be a reference from this Investment Date.
Licensed Bank	Means a bank licensed under Financial Services Act 2013.
Licensed Investment Bank	Means an investment bank licensed under Financial Services Act 2013.
Licensed Islamic Bank	Means an Islamic bank licensed under the Islamic Financial Services Act 2013.
LPD	Means 31 March 2020 and is the latest practicable date whereby the information disclosed in this Prospectus shall remain relevant and current as at the date of issue of this Prospectus.
the Manager / AHAM	Refers to Affin Hwang Asset Management Berhad.
Maturity Date	Means the date on which the Fund automatically terminates and is the date, which is the fifth (5th) anniversary of the Investment Date; if the date is not a Business Day, the "Maturity Date" shall be the first Business Day following the date that is the fifth (5th) anniversary of the Investment Date. If the Fund is earlier terminated in accordance with the provisions of the Deed, and due to the Early Maturity feature, the "Maturity Date" shall mean the date of such earlier termination.
medium term	Means a period of between three (3) years to five (5) years.
Net Asset Value or 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.
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.
Offer Period	Means a period of not more than forty five (45) days from the Commencement Date of the Fund or such shorter period as may be determined by the Manager, whereby the Units of the Fund are open for sale at its Offer Price.
Offer Price	Means the fixed price for each Unit during the Offer Period.
Over-the-Counter (OTC)	OTC trades refer to trading of financial instruments directly between two parties without going through the securities exchange i.e. the financial instruments are not formally traded on a securities exchange.
Repurchase Charge	Means a charge imposed pursuant to your request for repurchase of Units of the Fund.

Prospectus	Means this prospectus and includes any supplementary or replacement prospectus, as the case may be.
Repurchase Price	Means the price payable to you by us for a Unit pursuant to a repurchase request and it shall be exclusive of any Repurchase Charge.
Sales Charge	Means a charge imposed pursuant to the Unit Holder's purchase request.
Selling Price	Means the price payable by the Unit Holder for the Manager to create a Unit in the Fund and it shall be exclusive of any Sales Charge.
Special Resolution	Means a resolution passed by a majority of not less than three quarter (¾) of Unit Holders voting at a meeting of the Unit Holders. *For the purpose of terminating the Fund, a Special Resolution is passed by a majority in number representing at least three quarter (¾) of the value of Units held by the Unit Holders voting at the meeting in person or by proxy.*
Target NAV per Unit	Means the NAV per Unit target for Early Maturity to be triggered (please refer to "What is an Early Maturity" at page 11 for further details). The Target NAV per Unit is computed via the following formula: MYR 1.0100 + Sales Charge per Unit imposed + Target Yield in MYR per Unit terms. For the avoidance of doubt, MYR 1.0100 per Unit is a preset to reflect the Offer Price, with an additional buffer of 1% i.e. MYR 1.0000 + MYR 0.0100.
Target Yield	Means the average annual income distribution rate that the Fund endeavours to distribute to Unit Holders over the tenure of the Fund, subject to the availability of income. The Target Yield in MYR per Unit terms = Target Yield × (Offer Price + Sales Charge per Unit imposed). For the purpose of calculating Target Yield in MYR per Unit terms, if the Sales Charge rate is 3.0%, the Sales Charge per Unit is MYR 0.030). The Target Yield shall be confirmed via a Communiqué after the end of the Offer Period.
Trustee	Refers to TMF Trustees Malaysia Berhad.
Unit or Units	It is a measurement of the right or interest of a Unit Holder and includes a fraction of a Unit.
Units in Circulation	Means Units created and fully paid. It is the total number of Units issued at a particular valuation point.
Unit Holder or Unit Holders or you	Means the person/corporation registered as the holder of a Unit or Units including persons jointly registered.
Yield to Maturity	The total return anticipated on a fixed income instrument if the fixed income instrument is held until the end of its lifetime.

Reference to first person pronouns such as "we", "us" or "our" in this Prospectus means the Manager/AHAM.

RISK FACTORS

This section of the Prospectus provides you with information on the general risks involved when investing in a unit trust fund and the specific risks associated with the securities/instruments that the Fund will be investing in.

GENERAL RISKS

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. Market risk cannot be eliminated but may be reduced through diversification. 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

This risk refers to the day-to-day management of the Fund by us which will impact the performance of the Fund. For example, investment decisions undertaken by us 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, fraud, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.

Performance risk

The performance of the Fund depends on the financial instruments that the Fund purchases. If the instruments do not perform within expectation or if there is a default, then, the performance of the Fund will be impacted negatively. The performance of the Fund may also be impacted if the allocation of assets is not properly done. This is where the experience and expertise of the fund managers are important and the risk on the lack of experience and expertise of the fund managers has been highlighted above. On that basis, there is never a guarantee that investing in the Fund will produce the desired investment returns or on the distribution of income.

Inflation risk

This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.

Liquidity risk

Liquidity risk refers to two scenarios. The first is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the Fund. Please refer to "*What Is The Process of Repurchase Application*" on page 17 for more details.

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 may be fraud where employees of the Manager collude with one another. This risk may cause monetary loss and/or inconvenience to you. The Manager will 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.

Loan financing risk

This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed money includes you being unable to service the loan repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan.

SPECIFIC RISKS

Credit and default risk

Credit risk relates to the creditworthiness of the issuers of the fixed income instruments, i.e. debentures, money market instruments and deposits, 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 instruments. In the case of rated instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of the instruments either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the instruments. This could adversely affect the value of the Fund.

As the Fund may also invest up to 40% of its NAV in unrated debentures and/or debentures which are rated below investment grade by Standard & Poor's, Moody's, Fitch, RAM, MARC or any other rating agencies, this will imply a higher credit risk. We will follow a strict selection process to reduce the credit risk of the Fund. Please refer to "Fixed Income Instruments Selection Process and Criteria" on page 9 for more details.

The chart below shows the credit rating assigned by Moody's, Standard & Poor's, Fitch, RAM and MARC:-

	Global Rating Agencies			Malaysian Rating Agencies	
	Moody's	**Standard & Poor's**	**Fitch**	**MARC**	**RAM**
Investment Grade	Aaa	AAA	AAA	AAA	AAA
	Aa1	AA+	AA+	AA+	AA1
	Aa2	AA	AA	AA	AA2
	Aa3	AA-	AA-	AA-	AA3
	A1	A+	A+	A+	A1
	A2	A	A	A	A2
	A3	A-	A-	A-	A3
	Baa1	BBB+	BBB+	BBB+	BBB1
	Baa2	BBB	BBB	BBB	BBB2
	Baa3	BBB-	BBB-	BBB-	BBB3
Non-Investment Grade	Ba1	BB+	BB+	BB+	BB1
	Ba2	BB	BB	BB	BB2
	Baa3 & lower	BB- & lower	BB- & lower	BB- & lower	BB3 & lower

Note: Credit ratings assigned by the credit rating agencies are dependent on the analyses and assessments conducted by the respective agencies. Due to different methodologies used by the agencies, the creditworthiness of the debentures may be concluded differently as well. Therefore, the credit ratings are not the sole indicator of investment merit. As such, credit rating assigned by a rating agency cannot be assumed as an equivalent rating by another rating agency and therefore, it should not be compared against with another.

Interest rate risk

This risk refers to the impact of interest rate changes on the valuation of the fixed income instruments, i.e. debentures and money market instruments. When interest rates rise, the instruments prices generally decline and this may lower the market value of the instruments. The reverse may apply when interest rates fall. For investments into deposits, the fluctuations in the interest rates will not affect the placement of deposits but will result in the opportunity loss by the Fund if the placement of deposits is made at lower interest rate.

Structured products risk

The NAV of the Fund will be impacted by the valuation of the structured product. Factors that may impact the valuation of the structured products will include, but not limited to movement of the underlying asset, volatility of the underlying assets, interest rate levels, the correlation of the underlying assets and other such factors. Any change in the aforesaid factors would either positively or negatively impact the valuation of the structured products hence impacting the NAV of the Fund. As such, the Fund's NAV will be exposed to potential price volatility, which will be dependent on the valuation of the structured products that the Fund invested in.

Derivatives risk

Valuation of derivatives takes into account a multitude of factors such as movement of the underlying assets, the correlation of the underlying assets with the Fund, the implied future direction of the underlying assets and other factors. Any diverse changes of the factors mentioned above, may result in a lower NAV price and higher volatility for the Fund's NAV.

Counterparty risk

Counterparty risk concerns the Fund's investment in structured products and derivatives ("Investments"). Counterparty risk is prevalent as the potential returns derived from the Investments are dependent on the ongoing ability and willingness of the issuer i.e. a financial institution to fulfill their respective financial commitments to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/or in connection with the issuer may impair the operations and/or the performance of the Fund. However, we will conduct stringent credit selection process of the issuer of the Investments prior to commencement of Investments and monitoring mechanisms established by us may potentially mitigate this risk. If, we are of the opinion there is material adverse change to an issuer, we may consider unwinding the issuer's Investments to mitigate potential losses that may arise.

Country risk

Investments of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the NAV of the Fund or prices of Units to fall.

Currency risk

As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

Repurchase risk

You are reminded to be prepared to commit your investment until the Maturity Date. Any repurchase request made by you will be based on Forward Pricing which is the NAV per Unit at the next valuation point. The NAV per Unit at that valuation point may be lower than your investment outlay. You are also reminded that exiting this Fund prior to the Maturity Date will attract a Repurchase Charge and this may further reduce any monies payable to you. The Repurchase Charge incurred by you will be retained by the Manager.

Reinvestment risk

This risk arises when an issuer of fixed income instrument decides to repay the principal earlier than the intended maturity date, especially during times of declining interest rates. As a result, the Fund may experience lower returns due to reinvesting in lower yielding fixed income instruments.

Mismatch risk

This risk arises upon the commencement of the Investment Date when there is a mismatch between the Maturity Date of the Fund and the maturity date of the investments which the Fund holds. A mismatch of maturity may potentially result in a loss to the Fund. As a simple example, assuming that the Fund matures on 31 July 2025 (5 years from Investment Date of 31 July 2020) but the Fund is holding a debenture that matures only in 2026. When the Fund matures, the Fund is forced to sell that debenture (to liquidate all investments) at the current market price (as at 31 July 2025) which may be lower than the nominal value of the debenture had the debenture been held until 2026.

RISK MANAGEMENT

In our day-to-day running of the business, we employ a proactive risk management approach to manage portfolio risks and operational risks. The Board of Directors of AHAM ("the Board") has established a board compliance & risk management committee to oversee AHAM's risk management activities both at operational level and at portfolio management level to ensure that the risk management process is in place and functioning. The board compliance & risk management committee comprises of at least three Board members and is chaired by an independent director. At the operational level, we have established a compliance & risk oversight committee with the primary function of identifying, evaluating and monitoring risks as well as to formulate internal control measures to manage and mitigate the exposure to risks that may affect the performance of the Fund, returns to the investors or Unit Holders' interest within a clearly defined framework and is primarily responsible for ensuring that the policies and procedures that have been implemented are reviewed on an on-going basis with periodic assessments. The compliance & risk oversight committee reports to the board compliance & risk management committee on a quarterly basis.

In managing portfolio risks, we engage a stringent screening process by conducting fundamental analysis of economic, political and social factors to evaluate their likely effects on the performance of the markets and sectors. Regular meetings are held to discuss investment themes and portfolio decisions taken at the meetings are then implemented according to the investment guidelines which also take into account requirements for minimum portfolio diversification across individual investment holdings, sectors, geographies and asset classes (based on the portfolio's objective and strategy). We also practise prudent liquidity management with the objective to ensure that the Fund is able to meet its short-term expenses including repurchase requests by the Unit Holders.

We have in place a system that is able to monitor the transactions to ensure compliance with the Fund's investment limits and restrictions. These limits are system-controlled and not manually tracked, thus reducing the probability of human error occurring in ensuring the Fund's limits and restrictions are adhered to. We also undertake stringent evaluation of movements in market prices and regularly monitor, review and report to the investment committee to ensure that the Fund's investment objective is met. Regular portfolio reviews by senior members of the investment team further reduce the risk of implementation inconsistencies and violations of the Guidelines. We also have in place a credit risk management process to reduce counterparty risk of derivatives and structured products whereby such risk arises when the counterparty is not able to meet their contractual obligations. Prior to entering into a contract with the counterparty, we will conduct an evaluation on the credit standing of the counterparty to ensure they are able to meet their contractual obligations. It is important to note that an event of downgrade does not constitute a default. If we view that the downgrade in the rating of the counterparty may lead to high credit risk, we will not hesitate to take pre-emptive measures to unwind these positions.

We also employ a performance attribution system that enables us to review the performance of the Fund to determine the key factors that have contributed to and detracted from the Fund's performance. This system complements our overall risk management process as the system also provides standard risk analytics on the portfolio such as the Fund's standard deviation, tracking error and measures of excess return. The data produced by the performance attribution system is reviewed regularly and at least on a monthly basis in meetings chaired by the managing director and participated by the portfolio managers and the performance evaluation team.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not possible to protect investments against all risks. You are recommended to read the whole Prospectus to assess the risks associated with the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

ABOUT AFFIN HWANG FLEXIBLE MATURITY INCOME FUND 19

Fund Category	:	Fixed Income (close-ended)
Fund Type	:	Income
Base Currency	:	MYR
Financial Year End	:	31 March
Distribution Policy	:	Depending on the level of income the Fund generates, the Fund will provide distribution on an annual basis.
Deed	:	Deed dated 8 May 2020.

OFFER PERIOD & OFFER PRICE

The Offer Period shall be for a period of not more than forty five (45) calendar days from the Commencement Date of the Fund. The Offer Period may be shortened if we determine that it is in your best interest.

We also reserve the right not to proceed with the Fund if the Fund has not achieved a viable size of MYR 50 million at the end of the Offer Period.

The Offer Price is set at MYR 1.00 only. Units will ONLY be sold during the Offer Period.

INVESTMENT OBJECTIVE

The Fund aims to provide income through investments in fixed income instruments.

Any material change to the Fund's investment objective would require Unit Holders' approval.

All income distribution will be made in the form of cash. There will be no option for Unit Holders to reinvest the income in the form of additional Units for this Fund.

INVESTORS' PROFILE

The Fund may be suitable for investors who:

- have five (5) years investment horizon; and
- have a moderate risk tolerance.

BENCHMARK

5-years Malayan Banking Berhad fixed deposit rate as at Investment Date

The risk profile of this Fund is different from the risk profile of the benchmark.

Source: http://www.maybank2u.com.my/

Investors may also obtain information on the performance benchmark from the Manager upon request.

ASSET ALLOCATION

Debentures, money market instruments and/or deposits	Minimum of 70% of the Fund's NAV
Cash, derivatives and/or structured products	Maximum of 30% of the Fund's NAV

INVESTMENT STRATEGY

To achieve the objective of the Fund, we intend to invest a minimum of 70% of the Fund's NAV in fixed income instruments, i.e. debentures, money market instruments and/or deposits, and the remaining balance of the Fund's NAV in cash, derivatives and/or structured products.

The Fund may also invest up to 40% of its NAV in unrated debentures and/or debentures which are rated below investment grade by Standard & Poor's, Moody's, Fitch, RAM, MARC or any other rating agencies (please refer to the credit ratings chart under "Understanding the Risks of the Fund - Credit and default risk" section, for further details).

At the Maturity Date of the Fund, we will redeem or sell the investments, and return all proceeds to you (based on the number of Units you hold), subject to the applicable Fund expenses and fees. In this respect, we will endeavour, as far as it is possible, to purchase investments with maturities that closely mirror the maturity period for this Fund so as to enable the Fund to potentially obtain the full nominal value of those instruments upon the Maturity Date. We may trade the fixed income instruments as and when opportunities arise and/or to manage the credit risk of the fixed income instruments issuers or external adverse events affecting any of the fixed income instruments in the Fund's portfolio. In the event the Maturity Date falls on a non-Business Day, the Maturity Date shall be the first Business Day following the date that is the fifth (5^{th}) anniversary of the Investment Date.

However, if Early Maturity is triggered, that is subject to the requirements specified under "How is an Early Maturity triggered", we will liquidate all the investments in the portfolio and return the investment proceeds to you. In the event of an Early Maturity, the Fund will mature on the Early Maturity Date, which will fall on a Business Day as decided by us. Please refer to "Early Maturity" section below for more details.

The payment of proceeds to be paid to you, however, is expected to be within two (2) weeks from the Maturity Date and will not be more than two (2) month from the Maturity Date.

The fundamental investment process will be driven by two main factors:

- The interest rate outlook for the market over the medium term; and
- The overall balance between credit quality and yield of the targeted bonds.

This entails studying relevant economic and business statistics in order to produce forecasts of interest rate trends over the medium term.

Fixed Income Instruments Selection Process and Criteria

We will follow a strict selection process to ensure only appropriate fixed income instruments are invested in order to meet the Fund's investment objective. The selection process is in essence of a screening process that selects instruments with risk-return profiles that match the Fund's objective and maturity.

The selection of the debentures will depend largely on its credit quality. Focus will be on the ability of the issuer and/or guarantor to meet their financial obligations and make timely payment of interest and principal in order to protect your interest while delivering the expected returns to the Fund and meet the Fund's investment objective. The following are the more important considerations:

- Issuer's and/or guarantor's industry and business medium term outlook;
- Issuer's and/or guarantor's financial strength and gearing levels;
- Issuer's and/or guarantor's cash flow quality and volatility;
- Issuer's and/or guarantor's expected future cash flow and ability to pay interest and principal;
- Collateral type and value, and claims priority;
- Price and yield-to-maturity; and
- Issuer's and/or guarantor's ratings by RAM, MARC, Standard & Poor's, Moody's, Fitch, or equivalent.

The Fund will also invest in money market instruments and deposits with Financial Institutions. The selection of the issuers will depend largely on the credit quality and liquidity of the issuer based on our internal credit rating model.

During adverse market conditions, the Fund holds the option to maintain a higher exposure into money market instruments and/or deposits compared to debentures in its attempt to mitigate market risks.

Investments in Foreign Fixed Income Instruments

The Fund will invest in foreign fixed income instruments where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions (IOSCO).

Derivative Investments

Derivatives trades may be carried out for both investments and hedging purposes through financial instruments such as, but not limited to, forward contracts, futures contracts swaps and options.

Structured Product

The Fund may also invest into structured products such as but not limited to credit linked notes. Investment into these structured products will provide the Fund with the exposure to the reference asset. Each of these products has its own targeted maturity and will expose investors to the price fluctuation of, in the case of a credit linked note, the reference entity that the credit linked note is linked to. As a result, any fluctuation in the price of the structured product may also lead to fluctuations in the NAV of the Fund i.e., if the price of the structured product sees a decline in price, the NAV of the Fund will also be negatively impacted. As the note is structured by an external party, investments into a structured product will also expose the Fund to counterparty risk, which we will attempt to mitigate by carrying out a stringent selection process on its counterparty prior to an investment being made.

Cross Trades Policy

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.

PERTINENT INFORMATION OF THE FUND

WHAT IS AN EARLY MATURITY?

An Early Maturity is an event where the Fund is unwound on or after the first (1st) anniversary of the Fund's Investment Date and up to 30 days before the fifth (5th) anniversary of the Fund's Investment Date, subject to the Fund achieving certain requirements (please refer to "How is an Early Maturity triggered" below). Should this occur, the Fund will mature on the Early Maturity Date. When an Early Maturity occurs, we will liquidate all of the investments in the portfolio and return to you the NAV proportion to the number of Units held by you.

HOW IS AN EARLY MATURITY TRIGGERED?

The Fund's Early Maturity will be triggered when the NAV per Unit of the Fund is at or higher than the Target NAV per Unit for at least ten (10) consecutive Business Days ("Criteria"). However, the decision to exercise the right to trigger the Early Maturity is at our sole discretion. For example, we may need to consider the NAV per Unit after deducting the unwinding cost of forwards, swaps and structured products as well as other expenses. In this situation, we will decide to call for Early Maturity should the NAV per Unit (after deducting the unwinding cost of forwards, swaps and structured products as well as other expenses) is higher than the Target NAV per Unit.

Should the right to trigger the Early Maturity is exercised by us, we will issue you an Early Maturity Communiqué on the next Business Day of the day when Criteria is met. Upon this, the Fund will mature on the Early Maturity Date, which falls on the 10th Business Day immediately following the date we issue the Communiqué to you. In the event we deem unable to liquidate all the assets on the 10th Business Day, we will issue a Communiqué to you to extend the Early Maturity Date up to the 20th Business Day from the date the Early Maturity Communiqué is issued.

Notes:

(1) The Early Maturity Date may fall on a date, earliest on the 1st anniversary of the Investment Date up to the date, 30 days before the 5th anniversary of the Investment Date.
(2) There is a possibility that the prevailing NAV could be higher than the Target NAV, however Early Maturity will only be triggered on the 1st anniversary of the Investment Date.

WHAT IS THE EXPECTED PAYOUT TO YOU ONCE AN EARLY MATURITY IS TRIGGERED?

It is important to note that for an Early Maturity to be triggered, the NAV per Unit of the Fund must be higher than the Target NAV per Unit for at least ten (10) consecutive Business Days. The Target NAV per Unit is:-

MYR 1.0100 + Sales Charge per Unit imposed + Target Yield in MYR per Unit terms.

The Target Yield is the annual income distribution rate that the Fund endeavours to distribute to you, subject to the availability of income. It is useful to note that the Target Yield is a projected distribution rate that the Fund is expected to be able to meet, based on the targeted portfolio of fixed income instruments investments.

The Target Yield will be confirmed via a Communiqué after the end of the Offer Period and is expected to be presented as a % rate (e.g. 4.50%). For the Target Yield to be adjusted in MYR per Unit terms, the following calculation will be used:

Target Yield in MYR per Unit terms = (Target Yield × (Offer Price + Sales Charge per Unit))

As an illustration to how the Target NAV per Unit is computed, let assume the following:

Target Yield	=	4.50%
Sales Charge per Unit imposed	=	3.0% (i.e. MYR 0.0300 per Unit)
Offer Price	=	MYR 1.0000 per Unit
Target Yield in MYR per Unit terms	=	(4.50% × (MYR 1.0000 + MYR 0.0300)) = MYR 0.0464

Target NAV per Unit is computed as:-

MYR 1.0100 plus Sales Charge per Unit imposed and Target Yield in MYR per Unit terms

= MYR 1.0100 + MYR 0.0300 + MYR 0.0464

= MYR 1.0864 per Unit

Therefore, the Target NAV per Unit is MYR 1.0864.

In this example, the Fund's NAV per Unit will need to be at least MYR 1.0864 per Unit for 10 consecutive Business Days before we can issue the Early Maturity Communique on the next Business Day of the day when criteria (a) of "How Is an Early Maturity triggered" is met. Subsequently, the Fund will early mature on the 10th Business Day following the date the Early Maturity Communiqué is issued. We will need to liquidate the remaining assets in the Fund and you will be paid based on the NAV of the Fund as at the 10th Business Day from the date the Early Maturity Communiqué is issued. In the event we deem unable to liquidate all the assets on the 10th Business Day, we will issue a Communiqué to you to extend the Early Maturity Date up to the 20th Business Day from the date the Early Maturity Communiqué is issued. In such event, Unit Holders will be paid based on the NAV of the Fund as at the 20th Business Day from the date the Early Maturity Communiqué is issued.

As a reminder, the Target NAV per Unit covers your initial capital invested including the Sales Charge imposed and the annual income distribution at a rate that the Fund endeavours to distribute to you. The Early Maturity proceeds received by you based on the final NAV of the Fund is expected to closely match the Target NAV per Unit but it may be lower than the Target NAV per Unit as the liquidation of assets in the portfolio is subject to market conditions and liquidation costs. To increase the likelihood of the Offer Price, Sales Charge imposed and Target Yield being covered by the Early Maturity proceeds, an additional buffer of 1% has been incorporated into the computation of Target NAV per Unit. The final NAV will be communicated to you via a Communiqué.

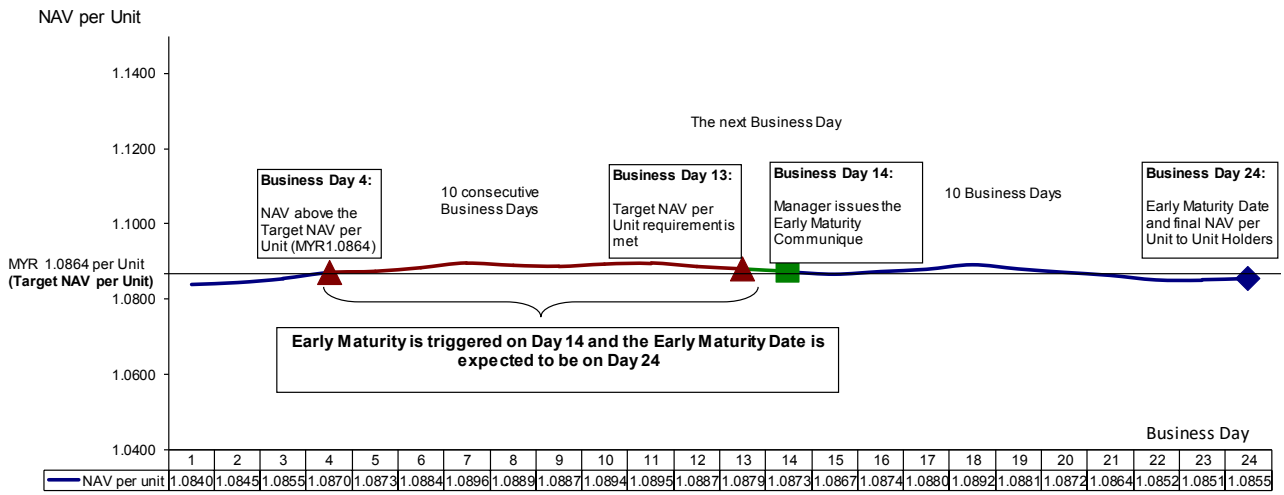
Once a Target Yield is confirmed, the Target NAV per Unit will remain the same throughout the life of the Fund. It is useful to note that the Fund is expected to provide annual income distributions with a minimum per annum rate that equals the Target Yield until the Fund matures. Should the Early Maturity occur in a later stage of the Fund, such as on the fifth (5th) year, you would have already received (4) rounds of annual income distributions on top of the Early Maturity proceeds. Please be reminded that your investments in the Fund will be subject to the risks highlighted under "Understanding The Risks Of The Fund" section.

Assumptions

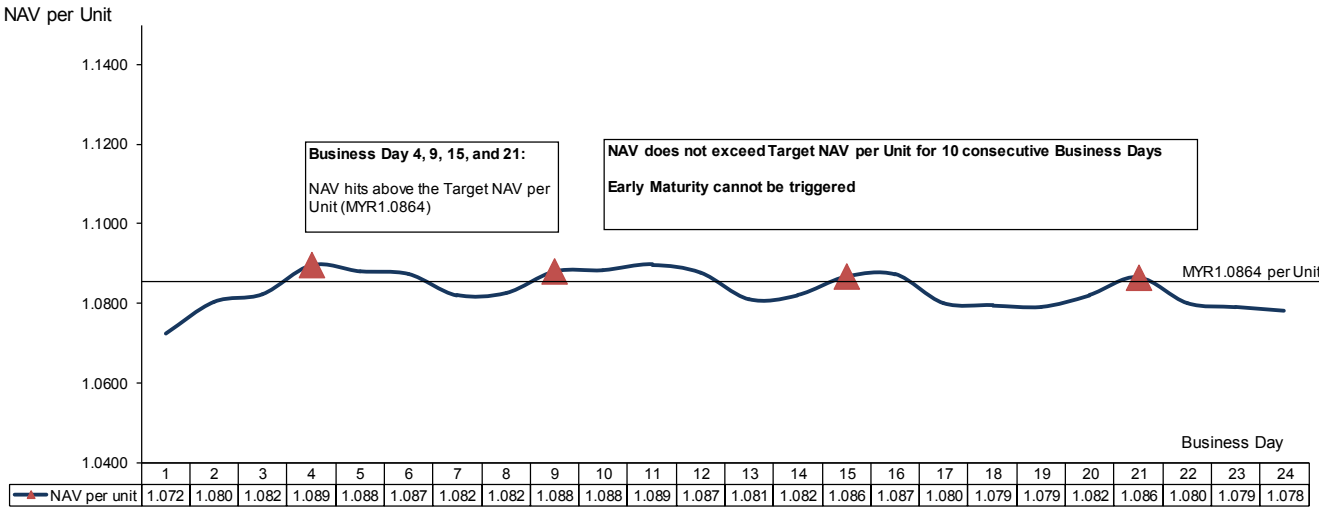
For illustration purposes, Business Day count starts from the 1st anniversary of Investment Date. The Early Maturity Date may fall on a date, earliest on the 1st anniversary of the Investment Date up to the date, 30 days before the 5th anniversary of the Investment Date.

Sales Charge	=	3.00%
Offer Price (MYR per Unit)	=	1.0000
Target Yield	=	4.50%
Target Yield (MYR per Unit)	=	0.0464
Target NAV per Unit	=	1.0864

Early Maturity Triggered



Early Maturity Not Triggered



	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
NAV per unit	1.072	1.080	1.082	1.089	1.088	1.087	1.082	1.082	1.088	1.088	1.089	1.087	1.081	1.082	1.086	1.087	1.080	1.079	1.079	1.082	1.086	1.080	1.079	1.078

PERMITTED INVESTMENTS

- Debentures
- Money market instruments
- Deposits
- Derivatives
- Structured products
- Any other form of investments as may be permitted by the SC from time to time which are in line with the objective of the Fund

INVESTMENT RESTRICTIONS AND LIMITS

a) The aggregate value of the Fund's investments in debentures, money market instruments, deposits and OTC derivatives issued by or placed with (as the case may be) any single issuer or institution shall not exceed 25% of the Fund's NAV;

b) The value of the Fund's investments in debentures issued by any single issuer shall not exceed 20% of the Fund's NAV;

c) The single issuer limit in (b) may be increased to 30% if the debentures are rated by RAM, MARC, Standard & Poor's, Moody's or Fitch to be of the best quality and offer highest safety for timely payment of interest and principal (i.e. AAA by RAM or its equivalent rated by other rating agencies);

d) For the purpose of (a), where the single issuer limit is increased to 30% pursuant to item (c), the aggregate value of the Fund's investments shall not exceed 30% of the Fund's NAV;

e) The value of the Fund's investments in debentures issued by any one group of companies shall not exceed 30% of the Fund's NAV;

f) The aggregate value of the Fund's investments in debentures which are rated below investment grade i.e. lower than BBB3 rating by RAM or below investment grade rating by other rating agencies, must not exceed 40% of the Fund's NAV;

g) The value of the Fund's placements in deposits with any single institution shall not exceed 20% of the Fund's NAV;

h) The Fund's exposure from its derivatives position should not exceed the Fund's NAV at all times;

i) For investments in derivatives:-

The exposure to the underlying assets must not exceed the investment spread limits stipulated in the Schedule B of the Guidelines; and

j) The value of the Fund's OTC derivative transaction with any single counter-party shall not exceed 10% of the Fund's NAV;

k) The value of the Fund's investment in unlisted securities must not exceed 10% of the Fund's NAV. However, this exposure limit does not apply to:-

   i. Debentures traded on an OTC market; and

   ii. Structured products;

l) The value of the Fund's investments in structured products issued by a single counter-party must not exceed 15% of the Fund's NAV;

m) The Fund's investments in debentures shall not exceed 20% of that issued by any single issuer;

n) The Fund's investments in money market instruments shall not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a predetermined issue size;

o) The limits and restrictions on the permitted investments set out above does not apply to securities or instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia;

p) The issuers of the OTC derivatives must be licensed financial institutions with a minimum long term rating of AA by RAM or its equivalent rated by other rating agencies; and

q) Any other investment limits or restrictions imposed by the Guidelines applicable to the Fund.

The abovementioned restrictions and limits will be complied with at all times based on the up-to-date value of the Fund, and the value of its investments and instruments. However, a 5% allowance in excess of any limit or restriction imposed under the Guidelines is permitted where the limit or restriction is breached through the appreciation or depreciation of the NAV of the Fund (whether as a result of an appreciation or depreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund).

The Manager will not make any further acquisitions to which the relevant limit is breached and within a reasonable period of not more than three (3) months from the date of the breach, we will take all necessary steps and actions to rectify the breach.

VALUATION OF PERMITTED INVESTMENTS

We will ensure that the valuation of the Fund is to be carried out in a fair manner in accordance to the relevant laws and Guidelines. We will obtain the daily price or value of the assets for the purpose of valuing the Fund in accordance to the Malaysian Financial Reporting Standard 9 issued by the Malaysian Accounting Standards Board. In the absence of daily price or value of the assets, we will use the latest available price or value of the assets respectively.

The valuation bases for the permitted investments of the Fund are as below:

- **Debentures**

  Valuation of unlisted debentures denominated in MYR will be done using the fair value price quoted by a bond pricing agency ("BPA") registered with the SC. If we are of the view that the price quoted by BPA differs from the market price quoted by at least three (3) independent dealers by more than 20 basis points and we determine that the methodology used by the independent dealers to obtain the market price is more appropriate, we may elect to use the price quoted by the independent dealers as the market price, provided that we record our basis for using a non-BPA price, obtain the necessary internal approvals to use the non-BPA price and keep an audit trail of all decisions and basis for adopting the market yields.

  Investment in other listed and unlisted debentures will be valued by reference to the average indicative price quoted by at least 3 independent and reputable institutions. In the case where we are unable to obtain quotation from 3 independent and reputable institutions, the other listed and unlisted debentures 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.

- **Deposits**

  Valuation of deposits placed with Financial Institutions will be done by reference to the principal value of the deposits and the interests accrued thereon for the relevant period.

- **Money Market Instruments**

  The valuation of MYR denominated money market instruments will be done using the price quoted by a BPA registered with the SC. For foreign money market instruments, valuation will be done using the indicative yield quoted by independent and reputable institutions.

- **Derivatives and Structured Products**

  The valuation of derivatives and structured products will be based on the price provided by the respective issuers or structurer. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporates all the relevant and available market data with respect to the derivatives and structured products (e.g. interest rates, movement of the underlying asset, volatility of the underlying assets, the correlation of the underlying assets and other such factors). 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 or Reuters. If the rates are not available on the Bloomberg or Reuters, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where the Manager is unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance to fair value as determined by us in good faith, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

VALUATION POINT FOR THE FUND

The Fund will be valued at 6.00 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 will be valued at 11.00 a.m. on the next Business Day (or "T + 1"). All foreign assets are translated into the base currency of the Fund i.e. MYR, based on the latest available bid exchange rate quoted by Bloomberg/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.

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 Securities Borrowing and Lending Guidelines [SBL Guidelines]) in connection with its activities. However, the Fund may borrow cash for the purpose of meeting repurchase requests for Units and for short-term bridging requirements subject to the following:

- the Fund's borrowing is only on a temporary basis and that borrowings are not persistent;
- the borrowing period should not exceed one (1) month;
- the aggregate borrowings of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing is incurred; and
- the Fund may only borrow from Financial Institutions.

Except for securities lending as provided under 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.

DEALING INFORMATION

You must read and understand the content of the Prospectus (and any supplemental prospectus) and PHS before investing.

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

PURCHASE AND REPURCHASE OF UNITS

WHO IS ELIGIBLE TO INVEST?

- An individual who is at least eighteen (18) years of age. In the case of joint application, the jointholder whose name appears first in the register of Unit Holders must be at least eighteen (18) years of age.
- A corporation such as registered businesses, co-operative, foundations and trusts.

WHAT ARE THE MINIMUM INITIAL INVESTMENT, MINIMUM ADDITIONAL INVESTMENT, MINIMUM UNITS HELD AND MINIMUM UNITS OF REPURCHASE?

Minimum Initial Investment	MYR 1,000
Minimum Additional Investment	MYR 100
Minimum Units Held	1,000 Units
Minimum Units of Repurchase	1,000 Units

- At our discretion, we may reduce the minimum initial investment amount, minimum additional investment, minimum Units held and minimum Units of repurchase.
- Any additional investments can only be made during the Offer Period.

HOW TO PURCHASE UNITS?

- You may submit the purchase request by completing an application form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day during the offer period. Units will ONLY be sold during the offer period.
- You are required to provide us with the following completed forms and documents. However, we reserve the right to request for additional documentations before we process the purchase application.

Individual or Jointholder	Corporation
• Account opening form; • Suitability assessment form; • Personal data protection notice form; • A copy of identity card or passport or any other document of identification; • Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form.	• Account opening form; • Suitability assessment form; • Personal data protection notice form; • Certified true copy of memorandum and articles of association*; • Certified true copy of certificate of incorporation*; • Certified true copy of form 24 and form 49*; • Certified true copy of form 8, 9, 13, 20 and 44 (where applicable)*; • Latest audited financial statement; • Board resolution relating to the investment; • A list of the authorised signatories; • Specimen signatures of the respective signatories; • Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form. ** or any other equivalent documentation issued by the authorities.*

HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?

- Bank Transfer

  You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. You may obtain our bank account details from our online download center at www.affinhwangam.com.

- Cheque, Bank Draft or Money Order

  Issuance of cheque, bank draft or money order should be made payable to "Affin Hwang Asset Management Berhad-CTA", crossed and drawn on a local bank. You are required to write your name, identity card number or business registration number at the back of the cheque, bank draft or money order.

- Bank charges or other bank fees, if any, will be borne by you.

WHAT IS THE PROCESS OF THE PURCHASE APPLICATION?

- During the Offer Period, if we receive your purchase application on a Business Day, we will create your Units based on the offer price of the Fund. Units will ONLY be sold during the Offer Period.
- Sale of Units will be honoured upon receipt of complete set of documents together with the proof of payments.

HOW TO REPURCHASE UNITS?

- You must meet the minimum holding of Units after a repurchase transaction. If you insist on making a repurchase request knowing that after the transaction you will hold less than the minimum holdings of Units, we may repurchase all your holding of Units in the Fund and pay the proceeds to you.
- You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.
- In the transaction form, you may choose to receive the repurchase proceeds in the manner of a cheque or bank transfer. If cheque is your option, we will issue the cheque in your name. If bank transfer is your option, proceeds will be transferred to your bank account. Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders.
- Any incurred bank charges and other bank fees due to a withdrawal by cheque, bank transfer or other special arrangement method will be borne by you.

WHAT IS THE PROCESS OF REPURCHASE APPLICATION?

- During the Offer Period, if we receive your repurchase application on a Business Day, we will repurchase your Units based on the Offer Price of the Fund. After the Offer Period, for a repurchase request received or deemed to have been received by us at or before 3.30p.m. on a Business Day (or "T day"), Units will be repurchased based on the NAV per Unit of the Fund for that Business Day. Any repurchase request received after 3.30p.m. will be transacted on the next Business Day (or "T + 1 day").
- Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.
- In addition, the Trustee may suspend the repurchase of Units requests:

  (i) where the Trustee considers that it is not in the interests of the existing Unit Holders to permit the assets of the Fund to be sold or that the assets cannot be liquidated at an appropriate price or on adequate terms and immediately call a Unit Holders' meeting to decide on the next course of action; or

  (ii) without the consent of the Unit Holders, due to exceptional circumstances when there is a good and sufficient reason to do so having regard to the interests of the Unit Holders. In such case, the period of the suspension shall not exceed 21 days of the commencement of the suspension.

WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?

- You will be paid within ten (10) days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable.

WHAT IS THE PRICING OF UNITS?

- Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price. During Offer Period, the Selling Price and the Repurchase Price is equivalent to the Offer Price. After the Offer Period, Forward Pricing will be used to determine the Repurchase Price per Unit of the Fund, which is the NAV per Unit for the Fund as at the next valuation point after the repurchase request is received by us.

WHERE TO PURCHASE AND REPURCHASE UNITS?

- Units can be purchased and repurchased at any of the location listed in "Directory of Sales Offices" section.
- You may obtain a copy of the Prospectus, PHS and application forms from the abovementioned location. Alternatively, you may also visit our website at www.affinhwangam.com.

WHAT ARE THE SWITCHING OPTIONS?

- Switching facility is not available for this Fund.

CAN I EXERCISE THE COOLING-OFF RIGHT?

- You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application. You will be refunded for every Unit held based on the NAV per Unit and the Sales Charge on the day those Units were first purchased and you will be refunded within ten (10) days from the receipt of the cooling-off application.

  Please note that the cooling-off right is applicable to you if you are an individual investor and investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trusts, you are not entitled to this right.

CAN I TRANSFER MY UNITS TO ANOTHER PERSON?

- You are permitted to transfer your ownership of investments in the Fund at any point in time by completing the transfer application form and returning it to us on any Business Day. There is no minimum amount of Units required to effect a transfer except that the transferor and transferee must hold the minimum holdings of Units to remain as a Unit Holder.

  It is important to note that we are at the liberty to disregard or refuse to process the transfer application if the processing of such instruction be in contravention of any law or regulatory requirements, whether or not having the force of law and/or would expose us to any liability.

HOW DO I RECEIVE THE INCOME DISTRIBUTION?

- All income shall be paid in cash. There will be no option for you to reinvest the income in the form of additional Units for this Fund.

  For telegraphic transfer option, payment will be transferred to your bank account within seven (7) Business Days after the distribution date.

  For cheques option, you will receive the cheque by mail within seven (7) Business Days after the distribution date, which will be sent to the last known address recorded in the Fund's register of Unit Holders.

  At the Maturity Date of the Fund, we will redeem or sell the assets of the Fund, and return all proceeds to you (based on the number of Units you hold), subject to the applicable Fund expenses and fees. The payment of income and proceeds is expected to be paid to you within two (2) weeks from the Maturity Date and will not be more than two (2) month from the Maturity Date.

Unit prices and distributions payable, if any, may go down as well as up.

UNCLAIMED MONEYS

Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will be paid to the Registrar of Unclaimed Monies by the Manager in accordance with the requirements of the Unclaimed Moneys Act, 1965.

ABOUT THE FEES AND CHARGES

❗ **There are fees and charges involved and investors are advised to consider the fees and charges before investing in the Fund.**

You should be aware that all fees, charges and expenses referred to or quoted in this Prospectus (including any supplemental prospectus) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of any tax which may be imposed by the relevant authority. We (including the Trustee and other service providers) will charge the applicable tax, if any, on the fees, charges and expenses in accordance with the relevant laws.

CHARGES

The following are the charges that you may **directly** incur when you buy or redeem Units of this Fund.

SALES CHARGE

A Sales Charge will be imposed on the purchase of Units of the Fund. The Sales Charge will be a percentage of the Offer Price. The maximum Sales Charge that the distribution channels will impose is as stated below:-

Distributors	**Maximum Sales Charge as a percentage of the Offer Price***
IUTA	3.00%
Internal distribution channel of the Manager	
Unit trust consultants	

** At our discretion, we may reduce the Sales Charge.*

Note: All Sales Charges will be rounded to two (2) decimal places.

REPURCHASE CHARGE

We will impose a Repurchase Charge if repurchase of Units is made after the Investment Date of the Fund.

Depending on when the repurchase request is made, the following Repurchase Charge shall be applicable:

- 3.00% of NAV per Unit from the Investment Date up to the second (2^{nd}) anniversary of the Investment Date.
- 2.00% of NAV per Unit from the Business Day immediately following the second (2^{nd}) anniversary up to the fourth (4^{th}) anniversary of the Investment Date.
- 1.00% of NAV per Unit from the Business Day immediately following the fourth (4^{th}) anniversary up to the fifth (5^{th}) anniversary of the Investment Date.
- At Maturity Date or Early Maturity Date – Nil

The Repurchase Charge is not negotiable.

Notes:

(1) There will not be any Repurchase Charge applicable on the exercise of cooling-off right and repurchase request made before the Investment Date.

(2) At the Maturity Date or Early Maturity Date, we will cancel all Units and as such do not constitute a repurchase request. That being the case, Repurchase Charge is not applicable at the Maturity Date or Early Maturity Date, as the case may be.

(3) The Repurchase Charge will be retained by the Manager.

(4) The Repurchase Charge may be reduced at our discretion.

Assuming that the number of Units repurchased is 100,000, the NAV per Unit is MYR 1.00 and the repurchase request is made on the Fund's 1st anniversary from the Investment Date, the repurchased amount would be:-

100,000 Units x MYR 1.00 = MYR 100,000

Then, the Repurchase Charge would be:-

MYR 100,000 x 3.0% = MYR 3,000

TRANSFER FEE

Nil.

SWITCHING FEE

Not applicable as the switching facility is not available for this Fund.

FEES AND EXPENSES

We may (in our sole and absolute discretion), waive or reduce the amount of any fees (except the trustee fee) and expenses of the Fund, either for all the investors or a particular investor.

The following are the fees that you may **indirectly** incur when you invest in the Fund.

ANNUAL MANAGEMENT FEE

The management fee is up to 0.20% of the NAV of the Fund per annum (before deducting the management fee and trustee fee). The management fee is accrued daily and payable monthly.

Assuming that the NAV of the Fund is MYR 120 million for the day, then the daily accrued management fee would be:-

$$\frac{\text{MYR 120 million} \times 0.20\%}{\text{365 days}} = \text{MYR 657.53 per day}$$

TRUSTEE FEE

The Fund pays an annual trustee fee of up to 0.04% per annum of the NAV of the Fund (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.

The trustee fee is calculated and accrued daily and payable monthly to the Trustee.

Assuming that the NAV of the Fund is MYR 120 million for the day, then the daily accrued trustee fee would be:-

$$\frac{\text{MYR 120 million} \times 0.04\%}{\text{365 days}} = \text{MYR 131.51 per day}$$

ADMINISTRATIVE FEES

Only the expenses which are directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These would include (but are not limited to) the following:

- Commissions/fees paid to dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (where the custodial function is delegated by the Trustee) charges and fees paid to the sub-custodians in respect of any foreign investments of the Fund;
- Taxes and other duties charged on the Fund by the government and/or other authorities;
- Costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- Costs, fees and expenses incurred for the valuation of any investments of the Fund by independent valuers for the benefit of the Fund;
- Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- 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 the Trustee;

- any 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
- Any other expenses allowed under the Deed.

REBATES AND SOFT COMMISSIONS

We, including our delegate (if any), Trustee or Trustee's delegate 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 rebates or shared commissions will be directed to the account of the Fund.

The soft commission can be retained by us or our delegates provided that;-

- the goods and services are of demonstrable benefit to the Unit Holder in the form of research and advisory services that assist in the decision-making process relating to the Fund's investments; and
- any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund.

All fees and charges payable by you are subject to all applicable taxes and/or duties as may be imposed by the government and/or the relevant authorities from time to time.

PRICING

COMPUTATION OF NAV AND NAV PER UNIT

The NAV of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at a particular valuation point. The NAV per Unit is the NAV of the Fund divided by the number of Units in Circulation, at the same valuation point.

Please refer to the "*Valuation Point For The Fund*" section of this Prospectus for an explanation of the valuation point.

Illustration on computation of NAV and NAV per Unit for a particular day:-

Units in Circulation	300,000,000.00
	MYR
Investments	195,000,000.00
Add other assets	5,700,000.00
Gross asset value	200,700,000.00
Less: Liabilities	700,000.00
NAV (before deduction of management fee and trustee fee for the day)	200,000,000.00
Less: Management fee for the day	657.53
Less: Trustee fee for the day	219.17
NAV	199,999,123.30
NAV per Unit*	0.6666

* NAV per Unit is derived from the following formula:-

$$\frac{\text{NAV}}{\text{Units in Circulation}}$$

The rounding policy is four (4) decimal points for the purposes of publication of the NAV per Unit. However, the rounding policy will not apply when calculating the Repurchase Charge (where applicable).

INCORRECT PRICING

We will take immediate action to rectify any incorrect valuation and/or pricing of the Fund and/or the Units and to notify the Trustee and the SC of the same unless the Trustee considers the incorrect valuation and/or pricing of the Fund and/or the Units is of minimal significance.

The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit unless the total impact on your account is less than MYR 10.00. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:

	Reimbursement by:	Receiving parties:
Over valuation and/or pricing in relation to the repurchase of Units.	AHAM	Fund
Under valuation and/or pricing in relation to the repurchase of Units	Fund	Unit Holder or former Unit Holder

COMPUTATION OF SELLING PRICE AND REPURCHASE PRICE

Under a single pricing regime, the Selling Price and the Repurchase Price are equivalent to the NAV per Unit. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price.

During Offer Period, the Selling Price and/or the Repurchase Price is equivalent to the Offer Price. Forward Pricing will be used to determine the Repurchase Price after the Offer Period, i.e. the NAV per Unit as at the next valuation point after we receive the repurchase request.

Units will **ONLY** be sold at the Offer Price during the Offer Period.

Calculation of Selling Price

Any Sales Charge payable by the Unit Holder would be calculated as a percentage of Offer Price during Offer Period.

For illustration purposes, let's assume the following:

Investment Amount	MYR 10,000
Selling Price	MYR 1.00
Number Of Units Received*	MYR 10,000 ÷ MYR 1.00 = 10,000 Units
Sales Charge	3.00% of the Offer Price
Sales Charge Paid By Investor**	3.00% x MYR 1.00 x 10,000 Units = MYR 300
Total Amount Paid By Investor***	MYR 10,000 + MYR 300 = MYR 10,300

Formula for calculating:-

* Number of Units received = $\frac{\text{Amount invested}}{\text{Selling Price}}$

** Sales Charge paid by investor = Sales Charge x Offer Price per Unit x Number of Units received

*** Total amount paid by investor = Amount invested + Sales Charge paid by investor

Calculation of Repurchase Price

If you request for a repurchase request after the Investment Date, you will be subjected to a Repurchase Charge. The Repurchase Charge is a percentage of the NAV per Unit depending on when the repurchase request is made by you.

For illustration purposes, let's assume the following:-

Units Repurchased	20,000 Units
Repurchase Price	MYR 1.00
Repurchased Amount^	20,000 Units x MYR 1.00 = MYR 20,000
Repurchase Charge	5.00% of the NAV per Unit
Repurchase Charge Paid By Investor^^	5.00% x MYR 20,000 = MYR 1,000
Total Amount Received By investor^^^	MYR 20,000 - MYR 1,000 = MYR 19,000

Formula for calculating:-

^ Repurchase amount	=	Unit repurchased x Repurchase Price
^^ Repurchase Charge paid by investor	=	Repurchase Charge x Repurchase amount
^^^ Total amount received by investor	=	Repurchased amount - Repurchase Charge paid by investor

SALIENT TERMS OF THE DEED

Generally an investor would also be a registered Unit Holder unless the Units are purchased through an IUTA or using a nominee. In such an instance, the Units may not be registered in the name of the investor and thus not a registered Unit Holder. Please be advised that the Manager only recognises the rights attached to a registered Unit Holder.

Rights And Liabilities Of Unit Holders

Rights Of Unit Holders

You have the right, among others, to the following:

- to receive the distribution of income, participate in any increase in the value of the Units and to enjoy such other rights and privileges as set out under the Deed for the Fund;
- to call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution;
- to exercise the cooling-off right (if applicable); and
- to receive annual and interim reports.

You are not entitled to request for the transfer of any of the assets of the Fund or be entitled to interfere with or question the exercise by the Trustee, or the Manager on its behalf, of the rights of the Trustee as the registered owner of such assets. In amplification and not in derogation of the aforesaid, Units held shall not confer on any Unit Holder any interest in any particular part or asset of the Fund but only in such interest in the Fund as a whole as may be conferred on Unit Holders by the provisions of the Deed.

Liabilities Of Unit Holders

- You would not be liable 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; and
- You shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee 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 value of the assets of the Fund and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

Provisions Regarding Unit Holders' Meetings

Quorum Required For Convening A Unit Holders' Meeting

The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, provided that if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be two (2) Unit Holders, 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 of the Fund at the time of the meeting.

Unit Holders' Meeting Convened By 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) of all the Unit Holders, whichever is less, summon a meeting of the Unit Holders by:

- 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;
- 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 national newspaper published daily and another newspaper approved by the relevant authorities; and
- specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

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

- requiring the retirement or removal of the Manager;
- requiring the retirement or removal of the Trustee;
- considering the most recent financial statements of the Fund;
- giving to the Trustee such directions as the meeting thinks proper; or
- considering any matter in relation to the Deed;

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) of all the Unit Holders, whichever is the lesser number.

Unit Holders' Meeting Convened By 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.

Unit Holders' Meeting Convened By Trustee

The Trustee may summon 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;

(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;

(d) requiring the retirement or removal of the Manager;

(e) 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;

(f) securing the agreement of the Unit Holders to release the Trustee from any liability;

(g) 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; or

(h) deciding on the reasonableness of the annual management fee charged to the Fund.

The meeting of the Unit Holders summoned by the Trustee shall be summoned by:

- 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
- 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.

Termination Of The Fund

Circumstances That May Lead To The Termination Of The Fund

The Fund may be terminated or wound up as provided for under the Deed and the Guidelines as follows:-

- The SC has withdrawn the authorization of the Fund pursuant to Section 256E of the CMSA;
- A Special Resolution is passed at a Unit Holders' meeting to terminate or wind-up the Fund, following the occurrence of events stipulated under Section 301(1) of the CMSA and the court has confirmed the resolution, as required under Section 301(2) of the CMSA; or
- A Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund.

Retirement, Removal or Replacement Of The Manager

The Manager shall have the power to retire in favour of some other corporation and as necessary under any relevant law upon giving to the Trustee twelve (12) months' notice in writing of its desire so to do, or such lesser time as the Manager and the Trustee may agree upon, and subject to the fulfilment of the following conditions:

- the retiring Manager shall appoint such corporation by writing under the seal of the retiring Manager as the management company of the Fund in its stead and assign and transfer to such corporation all its rights and duties as management company of the Fund;
- such corporation shall enter into such deed or deeds as are referred to in clause 2.3.2 of the Deed; and
- upon the payment to the Trustee of all sums due from the retiring Manager to the Trustee under the Deed at the date of such retirement, the retiring Manager shall be absolved and released from all further obligations under the Deed but without prejudice to the rights of the Trustee or any Unit Holder or other person in respect of any act or omission on the part of the retiring Manager prior to such retirement and the new management company may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations of the Manager under the Deed as fully as though such new management company had been originally a party to the Deed;

Subject to the provisions of any relevant law, the Trustee shall take all reasonable steps to remove the Manager if:

- if the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for the Trustee to do so after the Trustee has given notice to the Manager of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a Special Resolution;
- unless expressly directed otherwise by the relevant authorities, if the Manager is in breach of any of its obligations or duties under the Deed or the relevant laws, or has ceased to be eligible to be a management company under the relevant laws; or
- if the Manager has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose, or has had a receiver appointed or has ceased to carry on business;

and the Manager shall not accept any extra payment or benefit in relation to such removal.

In any of the events set out above, the Manager shall upon receipt of a written notice from the Trustee cease to be the management company of the Fund by the mere fact of the Manager's receipt of the notice. The Trustee shall, at the same time, by writing appoint some other corporation approved by the relevant authorities to be the management company of the Fund; such corporation shall have entered into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund.

Retirement, Removal Or Replacement Of The Trustee

The Trustee may retire upon giving twelve (12) months' notice to the Manager of its desire to do so, or such other period as the Manager and the Trustee shall agree, and may by deed appoint in its stead a new trustee approved by the relevant authorities and under any relevant law.

Provided always that the Manager has in place a corporation approved by the relevant authorities to act as the trustee of the Fund, the Trustee may be removed and such corporation may be appointed as trustee of the Fund by Special Resolution of the Unit Holders at a duly convened meeting.

The Manager shall take all reasonable steps to replace a Trustee as soon as practicable after becoming aware that:

(a) the Trustee has ceased to exist;

(b) the Trustee has not been validly appointed;

(c) the Trustee is not eligible to be appointed or to act as trustee under any relevant law;

(d) the Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or any relevant law;

(e) a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Trustee and has not ceased to act under the appointment;

(f) a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared insolvent); or

(g) the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any relevant law.

Fee And Charges

Below are the maximum fees and charges permitted by the Deed:

Sales Charge	3.00% of the Offer Price
Repurchase Charge	• 3.00% of NAV per Unit from the Investment Date up to the second (2nd) anniversary of the Investment Date. • 2.00% of NAV per Unit from the Business Day immediately following the second (2nd) anniversary up to the fourth (4th) anniversary of the Investment Date. • 1.00% of NAV per Unit from the Business Day immediately following the fourth (4th) anniversary up to the fifth (5th) anniversary of the Investment Date. At Maturity Date or Early Maturity Date – Nil
Annual Management Fee	3.00% per annum of the NAV of the Fund calculated and accrued daily and payable monthly
Annual Trustee Fee	0.10% per annum of the NAV of the Fund (excluding foreign custodian fees and charges)

Increase Of Fees And Charges Stated In The Prospectus

The maximum Sales Charges and Repurchase Charge set out in this Prospectus can only be increased if the Trustee has been notified in writing by the Manager of the higher rate and the date on which such higher rate is to become effective.

The maximum annual management fee (if applicable) and annual trustee fee set out in this Prospectus can only be increased if the Manager has come to an agreement with the Trustee on the higher rate. The Trustee and the Unit Holders have to be notified in writing by the Manager of the higher rate and the date on which such higher rate is to become effective and such time as may be prescribed by any relevant law shall have elapsed since the notice is sent.

The supplemental/replacement Prospectus proposing a modification to this Prospectus to increase the aforesaid maximum fees and charges is required to be issued. An increase in the abovementioned fees and charges is allowed if such time as may be prescribed by any relevant laws has elapsed since the effective date of the supplementary/replacement Prospectus.

Increase Of Fees And Charges Stated In The Deed

The maximum Sales Charge, Repurchase Charge, annual management fee (if applicable) and annual trustee fee set out in the Deed can only be increased if a Unit Holders' meeting has been held in accordance with the Deed. Thereafter, a supplemental deed proposing a modification to the Deed to increase the aforesaid maximum charges and fees is required to be submitted for registration with the SC accompanied by a resolution of not less than two-thirds (2/3) of all Unit Holders present and voting at the Unit Holders' meeting sanctioning the proposed modification to the Deed.

Permitted Expenses under the Deed

Only the expenses (or part thereof) which is directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These would include (but are not limited to) the following:

- commissions or fees paid to brokers/dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- taxes and other duties charged on the Fund by the government and/or other authorities;
- costs, fees and expenses properly incurred by the auditor of the Fund;
- costs, fees and expenses incurred for the valuation of any investments of the Fund by independent valuers for the benefit of the Fund;
- costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- 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 the Trustee;
- costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- costs, fees and expenses incurred in engaging any adviser (including but not limited to legal advisers) for the benefit of the Fund;
- costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- remuneration and out of pocket expenses of the independent members of the investment committee, unless the Manager decides otherwise;
- all costs and/or expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer, including fees imposed on cheque issuance and telegraphic transfer;
- costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;
- (where the custodial function is delegated by the Trustee) charges and fees paid to the sub-custodians in respect of any foreign investments of the Fund;
- fees, charges, costs and expenses relating to the preparation, printing, posting, registration and lodgment of documents and reports which the Manager and/or the Trustee may be obliged to prepare, print, post, register and/or lodge in relation to the Fund by virtue of any relevant law; and
- any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred for the abovementioned.

THE MANAGER

ABOUT AHAM

AHAM was incorporated in Malaysia on 2 May 1997 and began its operations under the name Hwang–DBS Capital Berhad in 2001. In early 2014, AHAM was acquired by the Affin Banking Group ("Affin") and hence, is now supported by a home-grown financial services conglomerate. Affin has over 39 years of experience in the financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Meanwhile, AHAM has more than 16 years' experience in the fund management industry. Additionally, AHAM is also 27% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co., Ltd., an Asian investment management franchise.

AHAM distributes its funds through the following various channels:

- In-house/internal sales team;
- IUTA (Institutional Unit Trust Advisers) & CUTA (Corporate Unit Trust Advisers); and
- Unit trust consultants.

AHAM's head office is located in Kuala Lumpur and has a total of 7 main sales offices located in Peninsular and East Malaysia. The sales offices are in Penang, Ipoh, Johor Bahru, Melaka, Kuching, Miri and Kota Kinabalu.

Roles, Duties and Responsibilities of AHAM

AHAM is 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.

Board of Directors

Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad (Non-independent Director)

Mr Teng Chee Wai (Non-independent Director)

Ms Eleanor Seet Oon Hui (Non-independent Director)

Mr Yip Kit Weng (Non-independent Director)

Encik Faizal Sham bin Abu Mansor (Independent Director)

Maj. Gen. Dato' Zulkiflee bin Mazlan (R) (Independent Director)

Key Personnel

Mr Teng Chee Wai – Managing Director

Mr Teng is the founder of AHAM. Over the past 17 years, he has built the company to its current position with an excess of MYR 45 billion in assets under management. In his capacity as the managing director and executive director of AHAM, Mr Teng manages the overall business and strategic direction as well as the management of the investment team. His hands on approach sees him actively involved in investments, product development and marketing. Mr Teng's critical leadership and regular participation in reviewing and assessing strategies and performance has been pivotal in allowing AHAM to successfully navigate the economically turbulent decade. Mr Teng's investment management experience spans more than 25 years, and his key area of expertise is in managing absolute return mandates for insurance assets and investment-linked funds in both Singapore and Malaysia. Prior to his current appointments, he was the assistant general manager (investment) of Overseas Assurance Corporation (OAC) and was responsible for the investment function of the Group Overseas Assurance Corporation Ltd. Mr Teng began his career in the financial industry as an investment manager with NTUC Income, Singapore. He is a Bachelor of Science graduate from the National University of Singapore and has a Post-Graduate Diploma in Actuarial Studies from City University in London.

Mr David Ng Kong Cheong – Chief Investment Officer

Mr David joined AHAM in 2002 as Head of Equities and assumed the role of Chief Investment Officer in September 2006. He has been responsible for successfully steering AHAM's investments through a tumultuous decade of multiple crisis. His astute and decisive guidance on broad investment strategies which includes interpreting market signals and making timely asset allocation calls has allowed AHAM to remain ahead of its peers. A decade later, he has built the investment team from just four (4) fund managers to a 40 strong group featuring an impressive resume across different investment specialties, coverage and geographies. Under his foresight and vision, the team has evolved from being equity-heavy to encompass strong local and regional multi-asset and sector investment capabilities. His absolute return investment philosophy and bottom-up stock selection technique has garnered recognition for AHAM with its multiple award wins, having been voted "CIO of the Year" for Malaysia by Asia Asset Management 2013 awards. Mr David's philosophy of subscribing to the long-term, not taking excessive risk, and investing into quality throughout all the portfolios has set the blueprint for AHAM's investments in years to come. He is well-known in the industry for his discipline, prudence and reasonable attitude to investing. He graduated with a double degree in Bachelor of Commerce (Accounting) and Bachelor of Law from Monash University in Melbourne, Australia and is also a Chartered Financial Analyst (CFA) charterholder.

DESIGNATED FUND MANAGER

- **Ms Esther Teo Keet Ying – Head, Fixed Income Investment**

  Ms Esther Teo is the Head of Fixed Income Investment. Prior to joining the Manager, she was attached with the fixed income division of RHB Asset Management Sdn. Bhd. covering both institutional and unit trust mandates for three (3) years. She began her career in KPMG Malaysia in 1999 as a consultant in financial advisory services specializing in corporate debt restructuring and recovery. Esther graduated from the University of Melbourne, Australia with a Bachelor of Commerce majoring in Accounting and Finance. She has also obtained her licence from the SC on 29 April 2004 to act as a fund manager.

INVESTMENT COMMITTEE

The investment committee ("Committee") formulates, establishes and implements investment strategies and policies. The Committee will continuously review and monitor the success of these strategies and policies using predetermined benchmarks towards achieving a proper performance for the Fund. The Committee will also ensure investment guidelines and regulations are complied with. The Committee meets at least once every quarterly or more should the need arise.

MATERIAL LITIGATION

As at LPD, AHAM is not engaged in any material litigation and arbitration, including those pending or threatened, and AHAM is not aware of any facts likely to give rise to any proceedings which might materially affect the business or financial position of AHAM.

For further information on AHAM, the investment committee and/or AHAM's delegate, you may obtain the details from our website at www.affinhwangam.com.

THE TRUSTEE

TMF TRUSTEES MALAYSIA BERHAD

TMF Trustees Malaysia Berhad (Company No. 200301008392) was incorporated in Malaysia on 1 April 2003 and registered as a trust company under the Trust Companies Act 1949 on 9 October 2003. Its registered and business address is at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur, Malaysia. The Trustee is part of TMF Group, an independent global service provider in the trust & fiduciary sector. The group has 125 offices in more than 83 jurisdictions in the world. TMF Trustees started in Malaysia in 1992 with its first office in Labuan International Business Financial Centre (IBFC), providing trust and fiduciary services. The Kuala Lumpur office was established in 2003 to support the Labuan office in servicing Malaysian clients and to undertake domestic trust business.

The Trustee provides various types of trustee business, such as trustee and security trustee for private debt securities (PDS), corporate administrator to asset-backed securities (ABS), trustee for unit trust funds & private trust and custodian for private fund mandate. The TMF Group provides a more comprehensive range of corporate secretarial services, financial accounting, HR administrative and payroll outsourcing services.

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 carrying out these functions and duties, the Trustee has to exercise all due care, skills, diligence and vigilance and is required to act in accordance with the provisions of the Deed, all relevant laws and the Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that AHAM performs its duties and obligations in accordance with the provisions of the Deed, all relevant laws and the Guidelines.

TRUSTEE'S DELEGATE

The Trustee has appointed Standard Chartered Bank Malaysia Berhad ("SCBMB") as custodian of the quoted and unquoted investments of the Fund. SCBM is responsible for the Fund's assets settlement and custodising the Fund's asset. The assets are held in the name of the Fund through the custodian's wholly owned subsidiary and nominee company, Cartaban Nominees (Tempatan) Sdn Bhd. All investments are automatically registered into the name of the Fund. The custodian acts only in accordance with instruction from the Trustee.

SCBM was incorporated in Malaysia on 29 February 1984 under the Companies Act 1965 as a public limited company and is a subsidiary of Standard Chartered PLC (the holding company of a global banking group). Standard Chartered Bank Malaysia was granted a license on 1 July 1994 under the Financial Services Act 2013.

TRUSTEE'S DISCLOSURE OF MATERIAL LITIGATION AND ARBITRATION

As at LPD, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Trustee.

RELATED PARTIES TRANSACTION AND CONFLICT OF INTEREST

Save for the transaction disclosed below, as at LPD, we are not aware of any existing and/or proposed related party transactions or conflict of interest situations or other subsisting contracts of arrangements involving the Fund.

Related Party Transactions

Name of Party Involved in the Transaction	Nature of Transaction	Name of Related Party	Nature of Relationship
AHAM	Placement of deposits, money market instruments and derivatives	Affin Hwang Investment Bank Berhad (Affin Hwang IB)	Affin Hwang IB holds 63% equity interest in the Manager.

Details of the Substantial Shareholders of AHAM's Direct and Indirect Interest in other Corporation Carrying on a Similar Business

Save as disclosed below, as at 31 December 2019, the substantial shareholders of AHAM do not have any direct or indirect interest in other corporations carrying on similar business:

Nikko Asset Management International Limited, a substantial shareholder of AHAM, is wholly owned by Nikko Asset Management Co., Ltd. ("Nikko AM"). Nikko AM's office is situated in Japan where it provides investment management services, focused on sourcing, packaging and distributing retail investment fund products which are managed in-house or outsourced to third party sub-advisers.

Details of the Directors of AHAM's Direct and Indirect Interest in other Corporation Carrying on a Similar Business

Save as disclosed below, as at 31 December 2019, the directors of the Manager do not have any direct and indirect interest in other corporations carrying on a similar business:

Mr Teng Chee Wai, as a shareholder of the Manager, has an indirect interest in AIIMAN Asset Management Sdn Bhd. AIIMAN Asset Management Sdn Bhd is wholly-owned by the Manager.

Conflict of Interest

The auditors, tax advisers and solicitors have confirmed that they do not have any existing or potential conflict of interest with AHAM and/or the Fund.

Cross trades

AHAM may conduct cross trades between funds it is currently managing provided that all criteria imposed by the regulators are met. Notwithstanding the above, cross trades between the personal account of an employee of AHAM and the Fund's account(s) and between AHAM's proprietary trading accounts and the Fund's account(s) are strictly prohibited. Compliance with the criteria are monitored by the Compliance Unit of the Manager, and reported to the AHAM's Compliance and risk management committee, to avoid conflict of interests and manipulation that could have a negative impact on investors.

Policy on Dealing with Conflict of Interest

AHAM has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for the Fund, AHAM will not make improper use of its position in managing the Fund to gain, directly or indirectly, any advantage or to cause detriment to the interests of Unit Holders. Where the interests of the directors or the committee member's interests may conflict with that of the Fund, they are to refrain from participating in the decision-making process relating to the matter. Staff of AHAM are required to seek prior approval from the executive director or the managing director before dealing in any form of securities. All transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

TAX ADVISER'S LETTER

7 April 2020

The Board of Directors
Affin Hwang Asset Management Berhad
Ground Floor, Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur

Dear Sirs

Affin Hwang Flexible Maturity Income Fund 19
Taxation of the Fund and Unit Holders

1. This letter has been prepared for inclusion in the Prospectus (hereinafter referred to as "the Prospectus") in connection with the offer of units in the Affin Hwang Flexible Maturity Income Fund 19 (hereinafter referred to as "the Fund").

   The following is general information based on Malaysian tax law in force at the time of lodging the Prospectus with the Securities Commission Malaysia ("SC") and investors should be aware that the tax law may be changed at any time. To an extent, the application of tax law depends upon an investor's individual circumstances. The information provided below does not constitute tax advice. The Manager therefore recommends that an investor consult his accountant or tax adviser on questions about his individual tax position.

2. Taxation of the Fund

2.1 Income Tax

As the Fund's Trustee is resident in Malaysia, the Fund is regarded as resident in Malaysia. The taxation of the Fund is governed principally by Sections 61 and 63B of the Malaysian Income Tax Act, 1967 ("MITA").

Pursuant to the Section 2(7) of MITA, any reference to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah. The effect of this is that any gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah, will be accorded the same tax treatment as if they were interest.

The income of the Fund in respect of dividends, interest or profits from deposits and other investment income (other than income which is exempt from tax) derived from or accruing in Malaysia is liable to income tax. The Fund may be receiving income such as exit fee which will be subject to tax at the prevailing tax rate applicable on the Fund. Gains on disposal of investments by the Fund will not be subject to income tax.

The income tax rate applicable to the Fund is 24%.

Tax exempt interest as listed in the Appendix attached received by the Fund are not subject to income tax.

With effect from 1 January 2014, Malaysia has fully moved to a single-tier income tax system. The Fund is not liable to tax on any Malaysia sourced dividends paid, credited or distributed to the Fund under the single tier tax system, where the company paying such dividend is not entitled to deduct tax under the MITA. The tax deductibility of other deductions by the Fund against such dividend income will be disregarded in ascertaining the chargeable income of the Fund.

In addition to the single-tier dividend that may be received by the Fund, the Fund may also receive Malaysian dividends which are tax exempt from investments in companies which had previously enjoyed or are currently enjoying the various tax incentives provided under the law. The Fund is not subject to income tax on such tax exempt dividend income.

The Fund may also receive dividends, profits and other income from investments outside Malaysia. Income derived from sources outside Malaysia and received in Malaysia by a unit trust is exempted from Malaysian income tax. However, such income may be subject to foreign tax in the country from which the income is derived.

The tax treatment of hedging instruments would depend on the particular hedging instruments entered into. Generally, any gain or loss relating to the principal portion will be treated as capital gain or loss. Gains or losses relating to the income portion would normally be treated as revenue gains or losses. The gain or loss on revaluation will only be taxed or claimed upon realisation. Any gain or loss on foreign exchange is treated as capital gain or loss if it arises from the revaluation of the principal portion of the investment.

Generally, income from distribution by the Malaysia Real Estate Investment Trusts ("REIT") will be received net of withholding tax of 10%. No further tax will be payable by the Fund on the distribution. Distribution from such income by the Fund will also not be subject to further tax in the hands of the Unit Holders.

Expenses being manager's remuneration, maintenance of register of Unit Holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage, which are not allowed under the general deduction rules, qualify for a special deduction, subject to a minimum of 10% and a maximum of 25% of such expenses pursuant to Section 63B of the MITA.

2.2 Gains on Disposal of Investments

Gains on disposal of investments by the Fund will not be subject to income tax but where the investments represent shares in real property companies, such gains may be subject to Real Property Gains Tax ("RPGT") under the RPGT Act, 1976. A real property company is a controlled company which owns or acquires real properties or shares in real property companies with a market value of not less than 75% of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

2.3 Goods and Services Tax ("GST") and Service Tax

The Goods and Services Tax Act 2014 was repealed effective from 1 September 2018 and replaced by the Sales Tax and Service Tax which was reintroduced from 1 September 2018.

Should the Fund provide any taxable services within the scope of the Service Tax Regulations 2018 (e.g. management and consulting services) with an aggregate value of RM500,000 or more in a 12 months period, the Fund would be required to register for Service Tax and charge Service Tax on the said services at the prevailing rate of 6%. If the Fund does not make any taxable services it would not be required to register for Service Tax.

The issuance of units by the Fund to investors will not be subject to Service Tax, and no Service Tax would be included in the price of the units. Any distributions made by the Fund to unitholders are also not subject to Service Tax.

The provision of management services are within the scope of the Service Tax and is a prescribed taxable service under the Service Tax Regulations 2018. However, the provision of management services by a person licensed or registered with the Securities Commission Malaysia for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007 are specifically excluded from the scope of management services. The Fund would not be required to pay Service Tax on the acquisition of fund management services from the Fund Manager.

To the extent that the Fund invests in any financial services products (e.g. securities, derivatives, units in a fund or unit trust), the acquisition of these interests will also not be subject to Service Tax.

If the Fund acquires any imported taxable services for a service provider outside of Malaysia, these services would be subject to 6% Service Tax. The Fund would be required to file an SST-02A return on an adhoc basis and report and pay this amount of tax to the Royal Malaysian Customs Department.

3. Taxation of Unit Holders

3.1 Taxable Distribution

Unit Holders will be taxed on an amount equivalent to their share of the total taxable income of the Fund to the extent such income is distributed to them. Unit Holders are also liable to pay income tax on the taxable income distributions paid by the Fund. Taxable income distributions carry a tax credit in respect of the tax chargeable on that part of the Fund. Unit Holders will be subject to tax on an amount equal to the net taxable income distribution plus attributable underlying tax paid by the Fund.

Income distributed to Unit Holders is generally taxable as follows in Malaysia :-

Unit Holders	Malaysian Tax Rates for Year of Assessment 2019	Malaysian Tax Rates for Year of Assessment 2020
Malaysian tax residents:		
▪ Individual and non-corporate Unit Holders	▪ Progressive tax rates ranging from 0% to 28%	▪ Progressive tax rates ranging from 0% to 30%
▪ Co-operative societies	▪ Progressive tax rates ranging from 0% to 24%	▪ Progressive tax rates ranging from 0% to 24%
Malaysian tax residents:		
▪ Trust bodies	▪ 24%	▪ 24%
▪ Corporate Unit Holders		
i. A company with paid up capital in respect of ordinary shares of not more than RM2.5 million where the paid up capital in respect of ordinary shares of other companies within the same group as such company is not more than RM2.5 million (at the beginning of the basis period for a year of assessment) and having gross income from source or sources consisting of a business of not more than	▪ 17% for every first RM500,000 of chargeable income ▪ 24% for chargeable income in excess of RM500,000	▪ 17% for every first RM600,000 of chargeable income ▪ 24% for chargeable income in excess of RM600,000

RM50 million for the basis period of a year assessment		
ii. Companies other than those in (i) above	▪ 24%	▪ 24%
Non-Malaysian tax residents:		
▪ Individual and non-corporate Unit Holders	▪ 28%	▪ 30%
▪ Co-operative societies	▪ 24%	▪ 24%

The tax credit that is attributable to the income distributed to the Unit Holders will be available for set off against tax payable by the Unit Holders. There is no withholding tax on taxable distributions made to non-resident Unit Holders.

Non-resident Unit Holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdictions.

3.2 Tax Exempt Distribution

Tax exempt distributions made out of gains from realisation of investments and other exempt income earned by the Fund will not be subject to Malaysian tax in the hands of Unit Holders, whether individual or corporate, resident or non-resident. All Unit Holders do not pay tax on that portion of their income distribution from the Fund's distribution equalisation account.

3.3 Distribution Voucher

To help complete a Unit Holder's tax returns, the Manager will send to each Unit Holder a distribution voucher as and when distributions are made. This sets out the various components of the income distributed and the amount of attributable income tax already paid by the Fund.

3.4 Sale, Transfer or Redemption of Units

Any gains realised by a Unit Holder on the sale, transfer or redemption of his units are generally tax-free capital gains unless the Unit Holder is an insurance company, a financial institution or a person trading or dealing in securities. Generally, the gains realised by these categories of Unit Holders constitute business income on which tax is chargeable.

3.5 Reinvestment of Distribution

Unit Holders who receive their income distribution by way of investment in the form of the purchase of new units will be deemed to have received their income distribution after tax and reinvested that amount in the Fund.

3.6 Unit Splits

Unit splits issued by the Fund are not taxable in the hands of the Unit Holders.

Appendix

Tax Exempt Income of Unit Trusts

1. Interest or discount paid or credited to any individual, unit trust and listed closed-end fund in respect of the following will be exempt from tax: -

   - Securities or bonds issued or guaranteed by the Government; or
   - Debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the SC; or
   - Bon Simpanan Malaysia issued by the Central Bank of Malaysia.

2. Income of a unit trust in respect of interest derived from Malaysia and paid or credited by any bank or financial institution licensed under the Financial Services Act 2013 ("FSA") or the Islamic Financial Services Act 2013 ("IFSA") or any development financial institution regulated under the Development Financial Institutions Act 2002 ("DFIA").

   Provided that the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.

   In addition to the above, the Minister of Finance has informed vide their letter dated 23 January 2020 to the SC that the tax exemption on interest income received by corporate investors for investment in retail money market fund will be withdrawn with effective from 1 July 2020. This will be effected through amendment made in the tax legislation (which has yet to be made as of the date of this letter).

3. Interest in respect of any savings certificates issued by the Government.

4. Interest paid or credited to any person in respect of Sukuk originating from Malaysia, other than convertible loan stock, issued in any currency other than RM and approved or authorized by, or lodged with, the SC or approved by the Labuan Financial Services Authority.

5. Interest received in respect of bonds and securities issued by Pengurusan Danaharta Nasional Berhad within and outside Malaysia.

6. Interest income derived from bonds (other than convertible loan stocks) paid or credited by any company listed in Malaysia Exchange of Securities Dealing and Automated Quotation Berhad ("MESDAQ") (now known as Bursa Malaysia Securities Berhad ACE Market).

7. Income derived from the Sukuk Issue which has been issued by the Malaysia Global Sukuk Inc.

8. Discount or profit received from the sale of bonds or securities issued by Pengurusan Danaharta Nasional Berhad or Danaharta Urus Sendirian Berhad within and outside Malaysia.

9. Income derived from the Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad.

10. Gain or profit received from the investment in Islamic securities, other than convertible loan stock, which are issued in accordance with the principles of *Mudharabah, Musyarakah, Ijarah, Istisna'* or any other principle approved by the Shariah Advisory Council established by the SC under the Capital Markets and Services Act 2007.

11. Gains or profits in lieu of interest, derived from the Sukuk Wakala in accordance with the principle of *Al-Wakala Bil Istithmar*, other than a convertible loan stock, issued in any currency by Wakala Global Sukuk Berhad.

12. Income derived from Sukuk Kijang is exempted from the payment of income tax pursuant to Income Tax (Exemption) (No. 10) Order 2013. For the purpose of this order, "Sukuk Kijang" means the Islamic Securities of nominal value of up to two hundred and fifty million United States dollars (USD$250,000,000) issued or to be issued in accordance with the Shariah principle of Ijarah by BNM Kijang Berhad.

13. Gains or profits derived, in lieu of interest, derived from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (USD1,500,000,000.00) in accordance with the principle of *Wakala Bil Istithmar*, other than a convertible loan stock, issued by the Malaysia Sovereign Sukuk Berhad.

14. Gains or profits derived, in lieu of interest from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (US$1,500,000,000.00) in accordance with the principle of *Wakala*, other than a convertible loan stock, issued by the Malaysia Sukuk Global Berhad (formerly known as 1Malaysia Sukuk Global Berhad).

15. Income received by the Fund from Malaysia Building Society Berhad ("MBSB").

RELEVANT INFORMATION

INFORMATION AVENUES

How can I keep track of my investment?

You may obtain the daily Fund price from our website at www.affinhwangam.com.

As the Fund has exposure to investments in foreign jurisdiction, these daily prices are based on information available two (2) Business Days prior to publication.

We will provide you with an annual report and an interim report within two (2) months after the end of the financial period the report covers. In addition, we will also send you a monthly statement confirming the current Unit holdings and transactions relating to your Units in the Fund.

THE FUND'S ANNUAL REPORT IS AVAILABLE UPON REQUEST.

Who should I contact if I need additional information of the Fund?

You can seek assistance from our customer service personnel at our toll free number 1-800-88-7080 between 8.45a.m. to 5.30p.m. on a Business Day. Alternatively, you can email us at customercare@affinhwangam.com.

COMPLAINTS AVENUES

How do I make a complaint?

You may e-mail us at customercare@affinhwangam.com with the following information:

(a) particulars of the complainant which include name, correspondence address, contact number, e-mail address (if any) and other relevant information;
(b) circumstances of the non-compliance or improper conduct;
(c) parties alleged to be involved in the improper conduct; and
(d) any other supporting documentary evidence (if any).

ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA") and the SC's Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries, it is our responsibility to prevent AHAM from being used for money laundering and terrorism financing activities. To this end, we have established an Anti-Money Laundering/Counter-Financing of Terrorism Framework (AML/CFT Framework) and put in place anti-money laundering process and procedures to combat such activities. This includes a robust due diligence process and procedures for client on-boarding (such as know-your-client procedures and customer due diligence) as well as ongoing monitoring of clients transactions to detect any suspicious transactions.

To meet our regulatory obligations to verify the identity of our clients and to verify the source of funds, we may request for additional information from you. Information requested may include, but not limited to, supporting documents, documentary evidence to support information given and could extend to documents regarding identity of beneficial owners (if applicable). We reserve the right to reject an application to invest in the Fund should clients fail to provide the information required. Furthermore, where a particular transaction is deemed suspicious, we have an obligation under the AMLATFPUAA to notify the relevant authority of the transaction.

CONSENTS

- The written consents of Trustee and Trustee's Delegate to the inclusion in this Prospectus of their names in the form and context in such names appear have been given before the issue of this Prospectus and have not been subsequently withdrawn; and

- The written consent of tax adviser to the inclusion in the Prospectus of its name and Tax Adviser's Letter in the form and context in in which it is contained this Prospectus has been given before the issue of this Prospectus and has not been subsequently withdrawn.

DOCUMENTS AVAILABLE FOR INSPECTION

Unit Holders may inspect without charge, at the business address of the Manager, the following documents or copies thereof, where applicable:

- The Deed and the supplemental (if any) of the Fund;
- The Prospectus and supplementary or replacement prospectus (if any) of the Fund;
- The latest annual and interim reports of the Fund;
- Each material contract disclosed in the Prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts.
- The audited financial statements of AHAM and the Fund for the current financial year and the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement;
- Any reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in the Prospectus. Where a summary expert's report is included in the Prospectus, the corresponding full expert's report should be made available for inspection;
- Writ and relevant cause papers for all current material litigation and arbitration disclosed in the Prospectus.
- Consent given by experts disclosed the Prospectus.

DIRECTORY OF SALES OFFICE

AFFIN HWANG ASSET MANAGEMENT BERHAD:

HEAD OFFICE
Ground Floor, Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur
Tel : 03 – 2116 6000
Fax : 03 – 2116 6100
Toll Free No : 1-800-88-7080
Email: customercare@affinhwangam.com
Website: www.affinhwangam.com

PENANG
No. 10-C-23 & 10-C-24, Precinct 10
Jalan Tanjung Tokong
10470 Penang
Tel : 04 – 899 8022
Fax : 04 – 899 1916

PERAK
13A Persiaran Greentown 7
Greentown Business Centre
30450 Ipoh, Perak
Tel: 05 - 241 0668
Fax: 05 – 255 9696

JOHOR
Unit 22-05, Level 22
Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru
Johor
Tel : 07 – 227 8999
Fax : 07 – 223 8998

MELAKA
Ground Floor
No. 584 Jalan Merdeka
Taman Melaka Raya
75000 Melaka
Tel: 06 -281 2890
Fax: 06 -281 2937

SABAH
Unit 1.09(a), Level 1, Plaza Shell
29, Jalan Tunku Abdul Rahman
88000 Kota Kinabalu, Sabah
Tel : 088 - 252 881
Fax : 088 - 288 803

SARAWAK
Ground Floor, No. 69
Block 10, Jalan Laksamana Cheng Ho
93200 Kuching, Sarawak
Tel : 082 – 233 320
Fax : 082 – 233 663

1st Floor, Lot 1291
Jalan Melayu, MCLD
98000 Miri, Sarawak
Tel : 085 - 418 403
Fax : 085 – 418 372

AUTHORISED DISTRIBUTORS:

For more information about our authorised distributors, kindly contact our customer service personnel at our toll free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can e-mail us at customercare@affinhwangam.com.

PROSPECTIVE UNIT HOLDERS SHOULD READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS AND, IF NECESSARY, SHOULD CONSULT THEIR ADVISER(S).

Affin Hwang Asset Management Bhd (199701014290)
Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur.
Toll Free Number: 1800 88 7080 T: +603 2116 6000 F: +603 2116 6100 W: www.affinhwangam.com