

PRODUCT HIGHLIGHTS SHEET

for

Affin Hwang Select Asia Pacific (ex Japan) Balanced Fund

Date of issuance: 30 November 2021

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorized committee and/or persons approved by the Board of Affin Hwang Asset Management Berhad and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions of other facts which would make any statement in the Product Highlights Sheet false or misleading.

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of the Affin Hwang Select Asia Pacific (ex Japan) Balanced Fund ("the Fund") and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

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

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

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

Asset Management

This Product Highlights Sheet only highlights the key features and risks of this Fund. Investors are advised to request, read and understand the Prospectus of the Fund before deciding to invest.

PRODUCT HIGHLIGHTS SHEET
AFFIN HWANG SELECT ASIA PACIFIC (EX JAPAN) BALANCED FUND
BRIEF INFORMATION ON THE PRODUCT
1. What is this product about?

Affin Hwang Select Asia Pacific (ex Japan) Balanced Fund is an open-ended balanced fund, issued and managed in-house by the Manager.

The Fund endeavours to provide investors an affordable access into a diversified investment portfolio containing a balanced mixture of equities and fixed income instruments to achieve a balance of growth and income over the medium to long-term period.

PRODUCT SUITABILITY
2. Who is this product suitable for?

The Fund is designed for retail investors who seek medium to long-term capital growth and regular income distributions.

KEY PRODUCT FEATURES
3. What am I investing in?

	RM Class	SGD Hedged-class	EUR Hedged-class	USD Hedged-class	AUD Hedged-class	RMB Hedged-class
Launch date	8 December 2014		26 September 2018			
Tenure	This Fund is an open-ended fund where it does not have a fixed maturity date and may only be terminated in accordance with the terms of the Prospectus and the provisions of the Deed.					
Base currency	RM					
Benchmark	50% MSCI AC Asia Pacific ex Japan Index + 50% RAM Quantshop MGS All Index <i>The risk profile of the Fund is not the same as the risk profile of the performance benchmark.</i>					
Investment strategy	<p>To achieve its objective, the Fund will be investing into equities, and fixed income instruments such as debentures, money market instruments, and deposits with Financial Institutions. The Fund will invest primarily in Asia Pacific (ex Japan) companies. The Fund may also invest a smaller portion of its NAV non-Asia Pacific (ex Japan) companies.</p> <p>A combination of top-down (macroeconomic trends) and bottom-up (fundamental analysis) investment strategies will be adopted when identifying investment opportunities. The Fund will focus on companies that are able to provide growth potential over the medium to long-term investment horizon when investing into equities. Investments in fixed income instruments will take into consideration the interest rate outlook, credit market and currency movement. The Fund will also depend on the respective issuer's ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer timely payment of interest and principal.</p> <p>To achieve its objective, the Fund will also have the flexibility to hold exposure in warrants, as well as collective investment schemes that have similar investment objectives to the Fund.</p>					

Asset Management

	RM Class	SGD Hedged-class	EUR Hedged-class	USD Hedged-class	AUD Hedged-class	RMB Hedged-class						
	<p>Temporary Defensive Position We hold the option to take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation to protect the Fund against adverse market conditions that may impact financial markets. To manage the risk of the Fund, we may shift the Fund's focus and exposure into lower risk investments such as deposits or money market instruments.</p> <p>Derivative Investments The Fund may employ derivative investments for hedging purposes by participating in instruments such as forward contracts and cross currency swaps.</p> <p>Foreign exchange contracts enable the Fund to trade currency at a specific exchange rate, specific time and specific amount as indicated in the contract. Cross currency swaps allow the Fund to convert foreign exchange rates and/or interest rate exposures between two currencies.</p> <p>These derivatives may be used to hedge the principal and/or the returns of the foreign currency denominated investments back to MYR. The employment of derivatives under these circumstances, is expected to reduce the impact of foreign currency movements on the Fund's NAV. While the hedging strategy will assist with mitigating the potential foreign exchange losses by the Fund, any potential foreign exchange gain from the hedging strategy will be capped as well.</p>											
Asset allocation	The Fund's asset allocation range are as follows:- <table border="1" data-bbox="459 1144 1289 1294"> <thead> <tr> <th>Asset Class</th> <th>% NAV of the Fund</th> </tr> </thead> <tbody> <tr> <td>Equities</td> <td>40% to 60%</td> </tr> <tr> <td>Fixed income instruments such as debentures, money market instruments and deposits with Financial Institutions</td> <td>40% to 60%</td> </tr> </tbody> </table>						Asset Class	% NAV of the Fund	Equities	40% to 60%	Fixed income instruments such as debentures, money market instruments and deposits with Financial Institutions	40% to 60%
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Fixed income instruments such as debentures, money market instruments and deposits with Financial Institutions	40% to 60%											
Distribution policy	The Fund will distribute income on a semi-annual basis (subject to income availability), after the end of its first financial year.											
Minimum initial investment*	RM 1,000	SGD 5,000	EUR 5,000	USD 5,000	AUD 5,000	RMB 5,000						
Minimum additional investment*	RM 100	SGD 1,000	EUR 1,000	USD 1,000	AUD 1,000	RMB 1,000						
Minimum repurchase amount*	2,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units						
Minimum holding of units*	2,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units						

Note: Please refer to the Fund's Prospectus for further details of the Fund.

4. Who am I investing with?

Relevant parties' information:

The Manager	Affin Hwang Asset Management Berhad
The Trustee	Deutsche Trustees Malaysia Berhad
Trustee's Delegate (Custody Services)	Deutsche Bank (Malaysia) Berhad

* At our discretion, we may reduce the minimum initial investment amount, minimum additional investment amount, minimum repurchase amount and minimum holding of Units.

Asset Management

5. What are the possible outcomes of my investment?

The Fund is a balanced fund that invests in a diversified portfolio containing a balanced mixture of equities and fixed income instruments within the domestic and Asia Pacific (ex Japan) markets. The performance of the Fund would be dependent on the fixed income securities and equity markets that are investable by the Fund. The Fund's performance is also reliant on the Manager's expertise in managing the Fund to meet its objective.

The Fund's investment into equities would to a great extent, be linked to the price movements of the equity markets. If the equities that are investable by the Fund performs well, the Fund's performance may reflect the same. However, should the equities that are investable by the Fund perform poorly, the Fund's performance may also be impacted negatively.

Unlike fixed deposits which generally provide a guarantee on capital invested and a fixed rate of return, the Fund does not provide a guarantee on capital contributed nor does it guarantee a fixed rate of return.

The Fund is expected to distribute income on a semi-annual basis, subject to income availability. The Manager expects the Fund to yield incidental growth in capital from its equity investments and to derive income from investments in fixed income instruments.

KEY RISKS

6. What are the key risks associated with this product?

General risks

- **Fund management risk** - This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or guidelines due to factors such as human error, fraud, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
- **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.
- **Loan financing risk** – This risk occurs when you take a loan/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.
- **Operational risk** – This risk refers to the possibility of a breakdown in the Manager's internal controls and policies. The breakdown may be a result of human error, system failure or fraud where employees of the Manager collude with one another. This risk may cause monetary loss and/or inconvenience to you. The Manager will regularly review its internal policies and system capability to mitigate instances of this risk. Additionally, the Manager maintains a strict segregation of duties to mitigate instances of fraudulent practices amongst employees of the Manager.

Specific risks

- **Stock specific risk** – Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movement of such stock will adversely affect the Fund's NAV.
- **Credit and default risk** – Credit risk relates to the creditworthiness of the issuers of the fixed income instruments and money markets instruments (hereinafter referred to as "investment") and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the investment. In the case of rated investments, this may lead to a credit downgrade. Default risk relates to the risk of an issuer of the investment either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investment. This could adversely affect the value of the Fund.
- **Warrants investment risk** – The value of the warrants will depend on the pricing of the underlying security whereby the growth and performance prospect of the underlying security would consequentially affect the value of the warrants. In addition, the value of the warrants may decrease exponentially as the warrants approach its maturity date and the potential gains from a favourable price movement of the underlying may be offset by aggressive time decay. We may consider unwinding these warrants if there are material adverse changes to its value with the aim to mitigate the risk.
- **Interest rate risk** – Fixed income instruments are subject to interest rate fluctuations. Investments in fixed income instruments may be affected by the rise or fall in interest rates. The Fund will manage interest rate risk by considering each instrument's sensitivity to interest rate changes as measured by its duration. When interest rates are expected to increase, the Fund would then likely seek to switch to instruments with lower duration that are less sensitive to interest rate changes.

Asset Management

- **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.

Currency risk at the Fund level

The impact of the exchange rate movement between the Base Currency and the currency of the underlying investments may result in a depreciation of the value of the investments as expressed in the Base Currency.

Currency risk at the Class level

The impact of the exchange rate movement between the Base Currency and the currency of the SGD Hedged-class may result in a depreciation of your holdings as expressed in the Base Currency.

- **Reinvestment risk** – This risk arises when coupons from fixed income investments are not reinvested at the prevailing interest rate when the investment was initially made. The risk is more likely to take place during a declining interest rate and may impact the yield-to-maturity of the investments which is calculated based on the assumption that all coupon payments made by the investments are reinvested at the same interest rate when the investments were first made. The Manager will mitigate this risk by closely monitoring the interest rate movements and take measures which will not be limited to reduce the Fund's exposure into such investments.
- **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 in. 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.

Note: Please refer to the Fund's Prospectus on further details on each risk.

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.

PERFORMANCE

Average Total Return (RM Class)

	1 Year (1/5/20 – 30/4/21)	3 Year (1/5/18 – 30/4/21)	5 Year (1/5/16 – 30/4/21)	Since Commencement (29/12/14 – 30/4/21)
Fund	21.28%	6.26%	8.19%	7.01%
Benchmark	18.22%	7.48%	8.51%	9.01%

Source: Bloomberg/Morningstar

Average Total Return (Hedged Classes)

Since Commencement (27/9/18 - 30/4/21)	EUR-Hedged	USD-Hedged	AUD-Hedged	RMB-Hedged
Fund	15.25%	6.33%	11.05%	2.96%
Benchmark	14.66%	6.05%	8.77%	2.39%

Source: Bloomberg/Morningstar

Annual Total Return (RM Class)

Financial Year End	2021	2020	2019	2018	2017	2016
Fund	21.28%	-0.55%	-0.51%	5.86%	16.71%	3.64%
Benchmark	18.22%	1.63%	3.36%	4.68%	18.81%	14.84%

Source: Bloomberg/Morningstar

Annual Total Return (Hedged Classes)

Financial Year Period 2021	EUR-Hedged	USD-Hedged	AUD-Hedged	RMB-Hedged
Fund	15.19%	28.54%	9.44%	19.12%
Benchmark	13.12%	24.25%	11.70%	13.58%

Source: Bloomberg/Morningstar

Asset Management

RM Class

For the period under review i.e. 1 May 2020 to 30 April 2021, the Fund RM Class registered a return of 21.28% as compared to the benchmark return of 18.22%. Since commencement, the Fund RM Class registered a total return of 53.66% against the benchmark total return of 72.82%.

EUR-Hedged Class

Since commencement, the Fund EUR-Hedged Class registered a total return of 15.19%, outperforming the benchmark total return of 13.12%.

USD-Hedged Class

Since commencement, the Fund USD-Hedged Class registered a total return of 28.54%, outperforming the benchmark total return of 24.25%.

AUD-Hedged Class

Since commencement, the Fund AUD-Hedged Class registered a total return of 9.44%, underperforming the benchmark total return of 11.70%.

RMB-Hedged

Class

Since commencement, the Fund RMB-Hedged Class registered a total return of 19.12%, outperforming the benchmark total return of 13.58%.

The previous benchmark of 50% MSCI AC Asia Pacific ex Japan Index + 50% JACI Investment Grade Index have been changed to 50% MSCI AC Asia Pacific ex Japan Index + 50% RAM Quantshop MGS All Index.

As there are currently no direct benchmarks that employ a similar investment strategy to the Fund, the Fund will be employing a composition of the two (2) indices indicated i.e 50% of the MSCI AC Asia Pacific ex Japan Index and 50% of the RAM Quantshop MGS All Index. The different weighting of the benchmark as compared to the Fund's asset allocation is due to the expected effective exposure of the Fund over the medium to long term in meeting the Fund's objective.

The composite benchmark has been selected as there is no direct performance benchmark to the Fund's investment strategy. The composite benchmark provides a balanced gauge on the performance of equities and equities linked instruments listed on the Asia Pacific (ex Japan) stock exchanges as measured by the MSCI Asia ex Japan Index. And the fixed income instruments will be measured against the RAM Quantshop MGS All Index. The RAM Quantshop MGS All Index has been selected as it aims to reflect the performance of the investment opportunities related to investments into fixed income instruments. The index represents the performance benchmark relating to interest bearing instruments of similar risk profile.

Income Distribution

Financial Year End	2021	2020	2019
Gross distribution per Unit (sen)	1.00	0.30	0.50
Net distribution per Unit (sen)	1.00	0.30	0.50

Distribution will be made in the form of cash as well as Units in lieu of cash, if any.

Portfolio Turnover Ratio (PTR)

Financial Year End	2021	2020	2019
PTR (times)	1.18	1.33	1.49

The Fund's PTR was lower than previous year due to lower trading activities during the financial year

PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.

FEES & CHARGES

7. What are the fees and charges involved?

There are fees and charges involved and you are advised to consider them before contributing to the Fund.

What will I be charged by the Manager?

Sales charge	Up to 5.50% of the NAV per Unit of the Fund. <i>Investors may negotiate for a lower charge.</i> The Sales Charge for investors purchasing Units through the EMIS shall be limited to a maximum charge of 3% of the NAV per Unit or as determined by the EPF.
Repurchase charge	There will be no Repurchase Charge levied on the repurchase of Units.
Switching fee	There will be no switching fee imposed on the switching facility.
Transfer fee	There will be no transfer fee imposed on the transfer facility.

Asset Management

What are the key ongoing fees charged to the Fund?

Management fee	Up to 1.85% per annum of the NAV of the Fund.
Trustee fee	Up to 0.06% per annum of the NAV of the Fund (excluding foreign custodian fees and charges)

Note: Please refer to the Prospectus for further explanation and illustration on the Fund's fees, charges and expenses.

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.

VALUATIONS AND EXITING FROM INVESTMENT

8. How often are valuations available?

The Fund will be valued on every Business Day and you may obtain the NAV and NAV per Unit of the Fund from our website at www.affinhwangam.com, our customer service via our toll free number 1-800-88-7080 or email to customercare@affinhwangam.com.

9. How can I exit from this investment and what are the risks and costs involved?

You may request to redeem investments in the Fund at any point in time by simply completing the repurchase application form and returning it to the Manager on any Business Day from 8.45 a.m. to 3.30 p.m. Payments will be made to you within 10 days (for RM Class Unit Holders) and 14 days (for SGD Hedged-class Unit Holders) from the day the repurchase request is received by the Manager and provided that all documentations are completed and verifiable.

If you invest through the EMIS, we will remit the repurchase proceeds to EPF by crediting back into your EPF account. If you are above the age of fifty five (55) years old and invest through the EMIS, we will remit the repurchase proceeds to you directly.

CONTACT INFORMATION

10. Who should I contact for further information or to lodge a complaint?

1. For internal dispute resolution, you may contact our customer service personnel:
 - (a) via phone to : 03 – 2116 6000
 - (b) via fax to : 03 – 2116 6100
 - (c) via toll free no. : 1-800-88-7080
 - (d) via email to : customercare@affinhwangam.com
 - (e) via letter : Affin Hwang Asset Management Berhad
Ground Floor, Menara Boustead
69, Jalan Raja Chulan
50200 Kuala Lumpur

Complaints should be made in writing 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) other supporting documentary evidence (if any).
2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Centre (SIDREC):
 - (a) via phone to : 03-2282 2280
 - (b) via fax to : 03-2282-3855
 - (c) via email to : info@sidrec.com.my
 - (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1 Level 9, Tower A, Menara UOA Bangsar, No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

Asset Management

3. You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:
- (a) via phone to the Aduan Hotline at : 03 – 6204 8999
 - (b) via fax to : 03 – 6204 8991
 - (c) via e-mail to : aduan@seccom.com.my
 - (d) via online complaint form available at www.sc.com.my
 - (e) via letter to : Investor Affairs & Complaints Department
Securities Commission Malaysia, No 3 Persiaran Bukit
Kiara, Bukit Kiara, 50490 Kuala Lumpur
4. Federal of Investment Managers Malaysia (FIMM)'s Complaints Bureau:
- (a) via phone to : 03 – 20923800
 - (b) via fax to : 03 – 20932700
 - (c) via e-mail to : complaints@fimm.com.my
 - (d) via online complaint form available at : www.fimm.com.my
 - (e) via letter to : Legal, Secretarial & Regulatory Affairs
Federal of Investment Managers Malaysia
19-06-1, 6th Floor Wisma Tune, No. 19, Lorong Dungun
Damansara Heights, 50490 Kuala Lumpur

Asset Management

APPENDIX : GLOSSARY

AUD	Means Australia Dollar.
Base Currency	Means the currency in which the Fund is denominated i.e. Ringgit Malaysia (RM).
Bursa Malaysia	Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as it may be amended from time to time.
Business Day	Means a day on which Bursa Malaysia is open for trading..
Class(es)	Means any class of Units representing similar interests in the assets of the Fund although a Class of Units of the Fund may have different features from another Class of Units of the same Fund.
Deed	Refers to the deed dated 1 July 2013, the supplemental deed dated 5 November 2014 and second supplemental deed dated 17 April 2018, both entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the deed.
EPF	Means Employees Provident Fund.
EMIS	Means EPF Members' Investment Scheme.
EUR	Means Euro.
Financial Institution	Means (a) if the institution is in Malaysia– (i) licensed bank; (ii) licensed investment bank; or (iii) licenced Islamic bank; (b) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Fund	Refers to Affin Hwang Select Asia Pacific (ex Japan) Balanced Fund.
Hedged-class	Means a Class which aim to reduce the effect of exchange rate fluctuations between the Fund's Base Currency and currency of the Class to which the Unit Holders are exposed to.
IOSCO	Means International Organization of Securities Commissions.
the Manager / AHAM / we / us / our	Refers to Affin Hwang Asset Management Berhad.
medium to long term	Means a period between three (3) years and above.
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; where a Fund has more than one Class, there shall be a Net Asset Value of the Fund attributable to each Class.
NAV per Unit	Means the Net Asset Value of the Fund at a particular valuation point divided by the number of Units in circulation at the same valuation point; where the Fund has more than one Class, there shall be a Net Asset Value per Unit for each Class; the Net Asset Value per Unit of a Class at a particular valuation point shall be the Net Asset Value of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.
Prospectus	Means the prospectus of the Fund and includes any supplementary or replacement prospectus, as the case may be.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
RMB	Means Renminbi.
RM	Means Ringgit Malaysia.
Sales Charge	Means a charge imposed pursuant to a purchase request.
SC	Means Securities Commission Malaysia.
SGD	Means Singapore Dollar.
Trustee	Refers to Deutsche Trustees Malaysia Berhad.
Unit(s)	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund and if the Fund has more than one Class, it means a Unit issued for each Class.
Units in Circulation	Means Units created and fully paid for and which has not been cancelled. It is also the total number of Units issued at a particular valuation point.
Unit Holder(s) or you	Means the person / corporation registered as the holder of a Unit or Units including persons jointly registered.
USD	Means United States Dollar.

Reference to "day(s)" in the Prospectus will be taken to mean calendar day(s) unless otherwise stated.