

# PRODUCT HIGHLIGHTS SHEET

for

## AHAM Income Extra Fund

Date of issuance: 28 February 2024

### 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 AHAM Asset Management Berhad 199701014290 (429786-T) 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 relevant information and document in relation to the AHAM Income Extra Fund (“the Fund”), including a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the AHAM 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.**

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

## PRODUCT HIGHLIGHTS SHEET

### AHAM INCOME EXTRA FUND

#### BRIEF INFORMATION ON THE PRODUCT

##### 1. What is this product about?

The Fund is an open-ended wholesale fixed income fund which aims to provide investors with a steady income stream by investing in debentures, money market instruments and/or deposits.

#### PRODUCT SUITABILITY

##### 2. Who is this product suitable for?

The Fund is designed for Sophisticated Investors who have a short term to medium term investment horizon and have a low risk tolerance.

#### KEY PRODUCT FEATURES

##### 3. What am I investing in?

<b>Launch Date</b>	29 July 2019
<b>Tenure</b>	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 Information Memorandum and the provisions of the Deed.
<b>Base Currency</b>	MYR
<b>Investment Objective</b>	The Fund aims to provide investors with a steady income stream by investing in debentures, money market instruments and/or deposits. <i>Any material change to the Fund's investment objective would require Unit Holders' approval.</i>
<b>Asset Allocation</b>	A minimum of 70% of the Fund's NAV to be invested in debentures, money market instruments and/or deposits; and A maximum of 30% of the Fund's NAV to be invested in cash.
<b>Investment Strategy</b>	<p>The Manager will endeavour to achieve the Fund's objective by investing a minimum 70% of the Fund's NAV in debentures, money market instruments and/or deposits and a maximum 30% of the Fund's NAV in cash.</p> <p>The selection of securities will be constrained by the credit ratings of each issuance. The credit rating of securities invested in must be at least AA3 and P1 by RAM or equivalent rating by other recognised credit rating agencies. The average duration of the portfolio shall not be more than three (3) years. The Fund will invest in debentures with a remaining time to maturity of not more than five (5) years or are expected to be called within five (5) years or less at the time of investment.</p> <p>The Fund will be managed primarily to provide regular income, while at the same time preserving capital* and maintaining a sufficient level of liquidity in order to meet cash flow requirements. We believe that an important way to accomplish this is by analyzing various factors such as the current and anticipated changes in interest rates, economic statistics, yield curve changes and other general market conditions that could affect money market instruments and deposits.</p> <p>The Manager shall hold a maximum 30% of the Fund's NAV in cash under circumstances such as:</p> <ul style="list-style-type: none"> <li>• Large injection of cash by investors into the Fund;</li> <li>• Sales of investment holdings of the Fund; and</li> <li>• Any other circumstances that are in line with the Fund's objective.</li> </ul>

	<p>In the event the Fund's cash level reaches the maximum limit of 30%, the Manager will, on best effort basis, ensure that the 30% cash level is not held onto for more than five (5) consecutive Business Days.</p> <p>There will be no foreign investments for this Fund. The Fund will also have the flexibility to invest in collective investment schemes that are relevant and consistent with its investment objective.</p> <p>As a temporary defensive measure, we may take a position that may be inconsistent with the Fund's principal strategy by increasing the Fund's exposure into liquid assets during adverse market conditions that may impact financial markets to protect the Unit Holders' interest.</p> <p>We will combine a top-down and bottom-up investment approach to identify investment opportunities. Macroeconomic data and market analysis are the important considerations in deriving the top-down perspective on the outlook for interest rates and bond markets. For its bottom-up approach, we would conduct analysis on the issuers to assess its ability to service its debt obligations.</p> <p>* The Fund is neither a capital guaranteed nor a capital protected fund.</p>
<b>Benchmark</b>	<p>Maybank 1-month fixed deposit rate.</p> <p><i>The risk profile of this Fund is different from the risk profile of the benchmark.</i></p>
<b>Distribution Policy</b>	<p>Subject to the availability of income, the Fund will make distribution to the Unit Holders on quarterly basis. However, the amount of income available for distribution may fluctuate from year to year. All income distribution will be made in the form of Units or cash.</p> <p>At our discretion, the Fund may distribute (1) realised income, (2) realised capital gains, (3) unrealised income, (4) unrealised capital gains, (5) capital or (6) a combination of any of the above.</p>
<b>Minimum Initial Investment*</b>	MYR 100,000
<b>Minimum Additional Investment*</b>	MYR 10,000
<b>Minimum Units Held*</b>	100,000 Units

\* At our discretion, we may reduce the transaction value and Units, including for transactions made via digital channels, subject to terms and conditions disclosed in the respective channels.

**Note: Please refer to the Information Memorandum for further details of the Fund.**

#### 4. Who am I investing with?

Relevant parties' information:

<b>The Manager</b>	AHAM Asset Management Berhad
<b>The Trustee</b>	TMF Trustees Malaysia Berhad

#### 5. What are the possible outcomes of my investment?

This Fund is a wholesale fixed income fund that will focus on building a Malaysia-focused fixed income portfolio which will consist of debentures, money market instruments, deposits and/or cash. The performance of the Fund would be dependent on the fixed income securities that the Fund invests in.

Unlike fixed deposits which generally provide a guarantee on capital invested and carry specific rate of return, the Fund's investments in debentures does not provide a guarantee on capital contributed nor does it guarantee a fixed rate of return.

## KEY RISKS

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

## 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. 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.
- **Liquidity risk** – Liquidity risk refers to two scenarios. The first scenario is where an investment cannot be sold due to the 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 and subsequently the value of Unit Holders' investments in the Fund. Upon such event and in the best interest of the Unit Holders, the Manager may suspend the repurchase of Units requests. Please refer to "*Suspension of Dealing in Units*" section of the Fund's Information Memorandum for more details.
- **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 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.
- **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.
- **Related party transaction risk** – The Fund may also have dealings with parties related to AHAM. Nevertheless, it is our policy that 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 arm's length transaction between independent parties.
- **Suspension of repurchase request risk** – Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the Fund's assets cannot be determined, or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time. Hence, their investments will continue to be subject to the risks inherent to the Fund.

## Specific risks

- **Credit and default risk** – Credit risk relates to the creditworthiness of the issuers of the debentures and money markets instruments and the Financial Institutions where the deposits are placed (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 and/or Financial Institution 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 and/or a Financial Institution 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.
- **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 (hereinafter referred to as "investment"). Generally, movement in interest rates affects the prices of investment inversely. For example, when interest rates rise, prices of investment will fall. The fluctuations of the prices of investment will also have an impact on the NAV of the Fund. This risk can largely be eliminated by holding the investment until their maturity. We also manage interest rate risk by considering each investment's sensitivity to interest rate changes. When interest rates are expected to increase, the Fund would then likely seek to switch to investment that are less sensitive to interest rate changes. For investments in 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.

- **Reinvestment risk** – This risk arises when coupons from fixed income instrument 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.
- **Distribution out of capital risk** – The Fund may distribute income out of capital. Such capital distributions represent a return or withdrawal of part of the amount of your original investment and/or capital gains attributable to the original investment and will result in a reduction in the NAV per Unit of the Fund and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained.

**Note: Please refer to “Understanding the Risks of the Fund” in Information Memorandum for 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 Information Memorandum to assess the risks associated with the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

**FEES AND 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?**

<b>Sales charge</b>	Nil.
<b>Repurchase Charge</b>	
<b>Transfer fee</b>	
<b>Switching fee</b>	The Manager does not impose any switching fee. However, if the amount of sales charge of the fund (or class) that the Unit Holder intends to switch into is higher than the sales charge imposed by the fund (or class) being switched from, then the difference in the sales charge between the two (2) funds (or classes) shall be borne by the Unit Holder.

**What are the key ongoing fees charged to the Fund?**

<b>Management fee</b>	Up to 0.50% per annum of the NAV of the Fund (before deducting the management fee and trustee fee).
<b>Trustee fee</b>	Up to 0.04% per annum of the NAV of the Fund (before deducting the management fee and trustee fee) (excluding foreign custodian fees and charges).

**Note: Please refer to the Information Memorandum for further explanation and illustration of 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.aham.com.my](http://www.aham.com.my), our customer service via our toll free number 1-800-88-7080 or email to [customercare@aham.com.my](mailto:customercare@aham.com.my).

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

You may request to redeem your investments in the Fund at any point in time by completing the repurchase application form and returning it to us on any Business Day between 8.45 a.m. to 10.30 a.m. Payments will be made to you within ten (10) Business Days from the day the repurchase request is received by us and provided that all documentations are completed and verifiable.

**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@aham.com.my](mailto:customercare@aham.com.my)
- (e) via letter : AHAM 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](mailto: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

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 Consumer & Investor Office:

- (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](mailto:aduan@seccom.com.my)
- (d) via online complaint form available at : [www.sc.com.my](http://www.sc.com.my)
- (e) via letter to : Consumer & Investor Office  
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](mailto:complaints@fimm.com.my)
- (d) via online complaint form available at : [www.fimm.com.my](http://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.



APPENDIX : GLOSSARY

<b>Bursa Malaysia</b>	Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as may be amended from time to time.
<b>Business Day</b>	Means a day on which Bursa Malaysia is open for business/trading. The Manager may declare certain Business Days as non-Business Days when deemed necessary, such as in the event of market disruption.
<b>Deed(s)</b>	Refers to the deed dated 10 July 2019 and the first supplemental deed dated 25 May 2023 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the deed.
<b>deposits</b>	Has the same meaning as per the definition of "deposit" in the Financial Services Act 2013. For the avoidance of doubt, it shall exclude structured deposits.
<b>Development Financial Institutions (DFIs)</b>	Means a development financial institution under the Development Financial Institution Act 2022
<b>Financial Institution</b>	Means (1) if the institution is in Malaysia – (i) Licensed Bank; (ii) Licensed Investment Bank; (iii) Development Financial Institutions (DFIs); or (iv) Licensed Islamic Bank; or (2) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
<b>Fund</b>	Refers to AHAM Income Extra Fund
<b>Guidelines</b>	Refers to <i>Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework</i> issued by the SC and as amended or modified from time to time.
<b>Information Memorandum</b>	Means the offer document in respect of this Fund as may be replaced or amended from time to time.
<b>Licensed Bank</b>	Means a bank licensed under the Financial Services Act 2013.
<b>Licensed Investment Bank</b>	Means an investment bank licensed under the Financial Services Act 2013.
<b>Licensed Islamic Bank</b>	Means an Islamic bank licensed under the Islamic Financial Services Act 2013.
<b>the Manager, we, us, our, AHAM</b>	Refers to AHAM Asset Management Berhad
<b>medium term</b>	Means a period between three (3) to five (5) years.
<b>MYR</b>	Means Malaysian Ringgit, the lawful currency of Malaysia.
<b>Net Asset Value or NAV</b>	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point.
<b>NAV per Unit</b>	Means the NAV of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point.
<b>RAM</b>	Refers to RAM Rating Services Berhad.
<b>Repurchase Charge</b>	Means a charge imposed pursuant to a repurchase request.
<b>Sales Charge</b>	Means a charge imposed pursuant to the Unit Holder's purchase request.
<b>SC</b>	Means Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993.
<b>Sophisticated Investor</b>	Refers to any person who (a) is determined to be a sophisticated investor under the Guidelines on Categories of Sophisticated Investors, as amended from time to time; or (b) acquires any capital market products specified under these Guidelines where the consideration is not less than two hundred and fifty thousand ringgit or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; and/or (c) any other person as categorised by the SC from time to time to be a sophisticated investor.  Note: For more information and updates on the definition of Sophisticated Investor, please refer to our website at <a href="http://www.aham.com.my">www.aham.com.my</a> .
<b>Trustee</b>	Refers to TMF Trustees Malaysia Berhad.
<b>Unit or Units</b>	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.
<b>Unit(s) in Circulation</b>	Means Units created and fully paid and which have not been cancelled. It is also the total number of Units issued at a particular valuation point.
<b>Unit Holder(s) or you</b>	Refers to the person/corporation for the time being who is in full compliance with the relevant laws, is a Sophisticated Investor pursuant to the Guidelines including a jointholder.