

# PRODUCT HIGHLIGHTS SHEET

for

## AHAM Income Fund 5

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 Fund 5 (“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 FUND 5**
**BRIEF INFORMATION ON THE PRODUCT**
**1. What is this product about?**

AHAM Income Fund 5 is an open-ended fixed income fund, issued and managed in-house by the Manager. The Fund aims to provide investors with a steady income over the medium-term investment horizon.

**PRODUCT SUITABILITY**
**2. Who is this product suitable for?**

The Fund is designed for Sophisticated Investors who have a medium-term investment horizon, want exposure into fixed income instruments and have a low risk tolerance.

**KEY PRODUCT FEATURES**
**3. What am I investing in?**

<b>Commencement date</b>	13 January 2020
<b>Tenure</b>	The 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 over the medium-term investment horizon. <i>Any material change to the Fund's investment objective would require Unit Holders' approval.</i>
<b>Asset allocation</b>	<ul style="list-style-type: none"> <li>➤ A minimum of 80% of the Fund's NAV to be invested in debentures and money market instruments; and</li> <li>➤ A maximum of 20% of the Fund's NAV to be invested in deposits and/or cash.</li> </ul>
<b>Investment strategy</b>	<p>To achieve the objective of the Fund, a minimum of 80% of the Fund's NAV will be invested in debentures and money market instruments in the domestic market and a maximum of 20% of the Fund's NAV will be invested in deposits and/or cash.</p> <p>While the Fund will have an active trading policy, the Fund will have some core holdings where there is a medium to long-term investment horizon bias.</p> <p>A stringent credit selection process will be carried out when identifying issuances to be included in the portfolio. This is to ensure that the underlying investments are of high credit quality and able to provide relative certainty of principal repayment while maintaining overall total return stability.</p> <p>The Fund may employ derivative investments for hedging purposes by participating in instruments such as forward exchange contracts and cross currency swaps. These derivatives may be used to hedge the principal and/or the returns of the foreign currency denominated investments issued in the domestic market. The employment of derivatives under these circumstances is expected to reduce the impact of foreign currency movements on the Fund's NAV.</p> <p><b>Temporary Defensive Measure</b></p> <p>We may 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 the financial markets.</p> <p>We may hold more than 20% of the Fund's NAV in cash under circumstances such as:</p> <ul style="list-style-type: none"> <li>(i) large injection of cash by investors into the Fund;</li> <li>(ii) sale of investment holdings of the Fund; and</li> <li>(iii) any other circumstances that are in line with the Fund's objective.</li> </ul> <p>In the event the Fund's cash level exceeds 20% of the Fund's NAV due to the above circumstances, we will, on best effort basis, ensure that the cash level is to be reduced to 20% of the Fund's NAV within five (5) consecutive Business Days.</p>

<b>Performance benchmark</b>	85% BPAM Government All Bond Index 3 – 7 years 15% BPAM Corporate All Bond Index 3 – 7 years
<b>Distribution policy</b>	Subject to the availability of income, the Fund will provide Unit Holders with income on a semi-annual basis.  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.
<b>Minimum initial investment*</b>	MYR 100,000
<b>Minimum additional investment*</b>	MYR 100,000
<b>Minimum repurchase amount</b>	N/A
<b>Minimum holding of Units*</b>	100,000 Units

*Note: Please refer to the Fund's 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.

The Fund endeavours to distribute income, if any, on a semi-annual basis. However, the amount of income available for distribution may fluctuate.

\* 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.

### KEY RISKS

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

##### General risks

- **Affected by variable factors and not guaranteed** – The performance of a unit trust fund is affected by many variable factors and is not guaranteed. These include overall economic and financial market conditions such as interest rate fluctuation and stability of local currency. While a track record may provide some insight on future performance, it is by no means guaranteed. The prices of Units may go down as well as up. Likewise, distribution may vary from year to year depending on the performance of the unit trust fund.
- **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.
- **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.

- **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/financed money includes you being unable to service the loan/financing 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/financing.
- **Risk of non-compliance** – This risk refers to the possibility that the rules governing the Fund which is set out in the Deed or the Guidelines may not be observed by the Manager, whether intentionally or otherwise. Whilst not every non-observance to the rules governing the Fund will necessarily result in some losses to the Fund, investors are advised that the potential for the Fund to suffer losses may be heightened if the non-observation of the rules governing the Fund is due to the fraud or dishonest acts on the part of the Manager.
- **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' investment 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 Information Memorandum for more details.
- **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**

- **Interest rate risk** – This risk refers to the impact of interest rate changes on the valuation of debentures or 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.
- **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 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.
- **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 the Fund's Information Memorandum on further details on the general and specific risks.**

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

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

<b>Management fee</b>	<ul style="list-style-type: none"> <li>• Up to 0.25% per annum of the NAV of the Fund for NAV ≤ MYR 200 million</li> <li>• Up to 0.225% per annum of the NAV of the Fund for NAV &gt; MYR 200 million</li> </ul>
<b>Trustee fee</b>	Up to 0.02% per annum of the NAV of the Fund.

*Note: Please refer to the Information Memorandum 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

### 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 investments in the Fund at any point in time by simply completing the repurchase application form and returning it to us on any Business Day from 8.45 a.m. to 3.30 p.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
  - (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
  - (d) via online complaint form available at www.sc.com.my
  - (e) via letter to : Consumer & Investor Office  
Securities Commission Malaysia  
No 3, Persiaran Bukit Kiara, Bukit Kiara  
50490 Kuala Lumpur
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, 6<sup>th</sup> Floor Wisma Tune  
No. 19, Lorong Dungun, Damansara Heights  
50490 Kuala Lumpur

#### APPENDIX: GLOSSARY

<b>Base Currency</b>	Means the currency in which the Fund is denominated i.e. MYR.
<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 a non-Business Days when deemed necessary, such as in the event of market disruption.
<b>Commencement Date</b>	Means the date on which the sale of Units was first made. The Commencement Date is also the date of constitution of the Fund.
<b>Deed</b>	Refers to the deed dated 27 December 2019 and the first supplemental deed dated 11 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 deposit.
<b>Development Financial Institution</b>	Means a development financial institution under the Development Financial Institutions Act 2002.
<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>	Means AHAM Income Fund 5.
<b>Guidelines</b>	Means the <i>Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework</i> issued by the SC as may be amended 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>Manager or AHAM</b>	Means AHAM Asset Management Berhad.
<b>medium-term</b>	Means a period of three (3) years.
<b>MYR</b>	Malaysia Ringgit.
<b>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>Repurchase Charge</b>	Means a charge imposed pursuant to a repurchase request.
<b>Sales Charge</b>	Means a charge imposed pursuant to a purchase request.
<b>SC</b>	Securities Commission Malaysia.
<b>Sophisticated Investor</b>	<p>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 product 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.</p> <p>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>.</p>
<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>Units in Circulation</b>	<p>Means Units created and fully paid and which have not been cancelled.</p> <p><i>It is also the total number of Units issued at a particular valuation point.</i></p>
<b>Unit Holder, you</b>	Means the person/corporation for the time being who, in full compliance to the relevant laws is a Sophisticated Investor pursuant to the Guidelines including a jointholder.

Note:

Reference to “day(s)” in the Information Memorandum will be taken to mean calendar day(s) unless otherwise stated.