

# PRODUCT HIGHLIGHTS SHEET

for

## AHAM Single Bond Series 5

Date of issuance: 28 February 2024

### RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorised 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 omission 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 Single Bond Series 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 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 SINGLE BOND SERIES 5

#### BRIEF INFORMATION ON THE PRODUCT

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

The Fund is an open-ended wholesale bond fund which seeks to provide regular income over the medium to long term period.

#### PRODUCT SUITABILITY

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

The Fund is designed for Sophisticated Investors who seek regular income distribution, have a medium to long term investment horizon and have a low to medium risk tolerance.

#### KEY PRODUCT FEATURES

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

<b>Class</b>	MYR
<b>Launch Date</b>	15 September 2020
<b>Tenure</b>	<p>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.</p> <p>However, the Fund has an Early Termination feature which triggers when the Fund holds 100% in money market instruments, deposits, and cash. If the feature is triggered, we will return the investment proceeds to you. We have the option to exercise the right to trigger an Early Termination without requiring a Unit Holders' meeting. In the event of an Early Termination, the Fund will be terminated on the Early Termination Date, which will fall on the on the Tenth (10<sup>th</sup>) Business Day immediately following the date of the issuance of the Early Termination Communiqué to you.</p>
<b>Base Currency</b>	MYR
<b>Investment Objective</b>	<p>The Fund aims to provide regular income over the medium to long term period.</p> <p><i>Any material change to the Fund's investment objective would require Unit Holders' approval.</i></p>
<b>Investment Strategy</b>	<p>The Fund will be investing directly into a single-credit bond. The remaining NAV of the Fund will be invested in money market instruments, deposits and cash.</p> <p>We will combine a top-down and bottom-up investment approach to identify investment opportunities. Macroeconomic trends and market analysis are the important considerations in deriving the top-down perspective on interest rate outlook, fixed income markets and currency movements. For its bottom-up approach, we would conduct analysis on the issuers to assess their ability to service its debt obligations.</p> <p>The fundamental investment process will be driven by two main factors:</p> <ul style="list-style-type: none"> <li>• Credit quality of the bond; and</li> <li>• Yield of the bond</li> </ul> <p>The Manager will aim to strike an overall balance between these two factors to deliver the best risk-adjusted return to Unit Holders.</p> <p>The Fund's investment in the bond would consist of a corporate bond (including hybrid securities such as AT1 CoCo bonds). The selection of the bond will not be constrained by credit ratings of the issuance. However, the selection will depend largely on its quality, where the issuer displays strong ability to meet its financial obligations, healthy cash-flow, the collateral type, value, claims, priority as well as offer highest safety for timely payment of interest and principal. The Fund may invest in foreign market.</p>

	<p>This Fund has an Early Termination feature. If this feature is triggered, and subject to the requirements specified under “How is an Early Termination triggered?” section of this Information Memorandum, we will liquidate the investment in the bond and return the investment proceeds to you. In the event of an Early Termination, the Fund will be terminated, without having to seek the Unit Holders’ prior approval, on the Early Termination Date, which will fall on a Business Day as decided by the Manager.</p> <p>The payment of proceeds to you, however, is expected to be within two (2) weeks from the Early Termination Date and will not be more than one (1) month from the Early Termination Date.</p> <p>In the event of redemption or Early Termination is triggered, we will ensure that the Fund has sufficient liquidity to meet the redemption. In an effort to manage and mitigate the risk:-</p> <ul style="list-style-type: none"> <li>• The liquidity of the single-credit bond will be screened and assessed during the selection process to ensure that the bond is liquid; and</li> <li>• The bid-ask spread and transaction volume of the bond in the Fund will be monitored to mitigate the impact from redemption requests on the Fund’s NAV.</li> </ul> <p>Please refer to “Early Termination” section of the Information Memorandum for more details.</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 financial markets. To manage the risk of the Fund, we may shift the Fund’s focus and exposure into lower risk investments such as money market instruments, deposits and cash.</p> <p><b>Derivatives</b></p> <p>The Fund may employ derivatives, such as foreign exchange forward contracts, cross currency swaps or interest rate swaps primarily for hedging purposes. Cross currency swaps and/or foreign exchange forward contracts could be used to hedge the principal and/or the returns of the foreign currency denominated bond back to MYR while interest rate swaps could be used to hedge the interest rate exposure borne by the Fund. As prices of bonds are generally inversely related to yields and interest rates, the use of interest rate swap will enable us to exchange the fixed interest rate for floating interest rate with the intention to mitigate the potential decline in prices of the Fund’s investments. While the hedging strategy will assist with mitigating the potential foreign exchange losses by the Fund, any potential gains from the hedging strategy will be capped as well.</p>
<b>Asset Allocation</b>	<ul style="list-style-type: none"> <li>• A minimum of 60% of the Fund’s NAV to be invested in bond; and</li> <li>• A maximum of 40% of the Fund’s NAV to be invested in money market instruments, deposits and cash.</li> </ul>
<b>Performance Benchmark</b>	12-month Malayan Banking Berhad Fixed Deposit Rate
<b>Distribution Policy</b>	Subject to the availability of income, the Fund will provide distribution on an annual basis.
<b>Minimum Initial Investment*</b>	MYR 10,000
<b>Minimum Additional Investment*</b>	MYR 1,000
<b>Minimum Repurchase Amount*</b>	10,000 Units
<b>Minimum Units Held*</b>	<p>10,000 Units</p> <p>If the balance of your investment (i.e. total number of Units) is less than the minimum holding of Units, you will be required to make an additional investment in order to meet the required minimum balance of investment. Otherwise, we may repurchase all your holding of Units in the Fund and pay the proceeds to you.</p>

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

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

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

Relevant parties' information:

The Manager	AHAM Asset Management Berhad
The Trustee	CIMB Commerce Trustee Berhad

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

This Fund is a wholesale bond fund that invests primarily in a single-credit bond. The performance of the Fund would be dependent on the bond that the Fund invests in. The Fund's performance is reliant on the Manager's expertise in managing the Fund to meet its objective.

Unlike fixed deposits which generally provide a guarantee on capital invested and carry specific rate of return, the Fund's investment into the bond 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 an annual basis. However, the amount of income available for distribution may fluctuate from year to year.

### 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 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.
- **Counterparty risk** - The Fund will be exposed to the credit risk of the parties with which it transacts with and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. This would include the counterparties to any derivatives that it enters into. Trading in derivatives which have not been collateralised gives rise to direct counterparty exposure. The Fund mitigates much of the credit risk to its derivatives counterparties by receiving collateral with a value at least equal to the exposure to each counterparty but, to the extent that any derivative is not fully collateralised, a default by the counterparty may result in a reduction in the value of the Fund. A formal review of each new counterparty is completed and all approved counterparties are monitored and reviewed on an ongoing basis. The Fund maintains an active oversight of counterparty exposure and the collateral management process.
- **Operational risk** – Operational risk is the risk of loss due to the breakdown, deficiencies or weaknesses in the operational support functions resulting in the operations or internal control processes producing an insufficient degree of customer quality or internal control by the Manager. Operational risk is typically associated with human error, system failure, fraud and inadequate or defective procedures and controls.

##### Specific risks

- **Interest rate risk** - This risk refers to the impact of interest rate changes on the valuation of bonds or money market instruments (hereinafter referred to as "investment"). When interest rates rise, the investment prices generally decline and this may lower the market value of the investment. The reverse may apply when interest rates fall.
- **Credit and default risk** – Credit risk relates to the creditworthiness of the issuers of the bonds 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.
- **Reinvestment risk** - Reinvestment risk refers to the risk that any distributions or proceeds will be unable to be reinvested at a rate comparable to the current investment's rate of return. It is the likelihood that cash flows from the investment will earn less in a new security.
- **Concentration risk** – This Fund invests in a single bond. Any adverse effect on the bond will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the bond. This risk may be mitigated as we are allowed to take temporary defensive positions in response to adverse market conditions.

- **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.
- **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.
- **Political risk** - Political instability in the country which the Fund is invested in may lead to a situation in which the Fund does not receive part or all of the monies owed to it in spite of the solvency of the issuer of the respective security or other assets. Currency or transfer restrictions or other legal changes, for example, may be significant in this regard.
- **Regulatory risk** - The investments of the Fund would be exposed to changes in the laws and regulations in the countries that the Fund is invested in. These regulatory changes pose a risk to the Fund as it may materially impact the investments of the Fund. In an effort to manage and mitigate such risk, the Manager seeks to continuously keep abreast of regulatory developments (for example, by closely monitoring announcements on regulators' website and mainstream media) in that country. The Manager may dispose of its investments in that particular country should the regulatory changes adversely impact the Unit Holders' interest or diminish returns to the Fund.
- **Liquidity risk** – Liquidity risk refers to two scenarios. The first scenario 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. Upon such event and in the best interest of the Unit Holders, the Trustee may suspend the repurchase of Units requests. Please refer to “*Suspension of Dealing in Units*” section of the Information Memorandum for more details.

*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.**

## 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 2.00% of the NAV per Unit of a Class.
Repurchase charge	Nil.
Transfer Fee	Nil.
Switching Fee	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?

Management fee	Up to 0.50% per annum of the NAV of the Fund.
Trustee fee	Up to 0.04% per annum of the NAV of the Fund.

*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), 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. and 3.30 p.m. Payments will be made to you within 10 Business Days from the day the repurchase request is received by us, 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>AT1 CoCo Bond</b>	Additional Tier 1 (AT1) Contingent Convertible (CoCo) bonds.
<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 the Bursa Malaysia and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading.
<b>Class(es)</b>	Means any number of class(es) of Unit(s) representing similar interests in the assets of the Fund and a “Class” means any one class of Units.
<b>Deed</b>	Refers to the deed dated 14 August 2020 as modified by the first supplemental deed dated 9 November 2022 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the deed.
<b>Development Financial Institution</b>	Means a development financial institution under the Development Financial Institutions Act 2002.
<b>Early Termination</b>	Means an event where the Fund is unwound on or before its perpetual maturity.
<b>Early Termination Communiqué</b>	Refers to the notice pertaining to the Early Termination issued by the Manager to the Unit Holders.
<b>Early Termination Date</b>	Means if the Manager has decided to trigger an Early Termination, the Fund will be terminated on the tenth (10th) Business Day immediately following the date the Manager issued the Early Termination Communiqué to the Unit Holders.
<b>Financial Institution (s)</b>	Means (1) if the institution is in Malaysia – <ul style="list-style-type: none"> <li>(i) Licensed Bank;</li> <li>(ii) Licensed Investment Bank;</li> <li>(iii) Development Financial Institution; or</li> <li>(iv) Licensed Islamic Bank; or</li> </ul> (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 Single Bond Series 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 the 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>long-term</b>	Means a period of five (5) years and above.
<b>the Manager / AHAM / we / us / our</b>	Means AHAM Asset Management Berhad.
<b>medium term</b>	Means a period of between three (3) to five (5) years.
<b>MYR</b>	Malaysian 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; where the Fund has more than one Class, there shall be a NAV attributable to each Class.
<b>NAV per Unit</b>	Means the NAV of the Fund at a particular valuation point divided by the number of Unit in Circulation at the same valuation point; where the Fund has more than one Class, there shall be a NAV per Unit for each Class; the NAV per Unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.

<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 CIMB Commerce Trustee Berhad.
<b>Unit(s)</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; if the Fund has more than one Class, it means a Unit issued for each Class.
<b>Units in Circulation</b>	<p>Means Units created and fully paid, and which has 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(s) or you</b>	Refers to the person for the time being who is in full compliance with the relevant laws and is a Sophisticated Investor pursuant to the Guidelines including a jointholder.