

THIS IS A THIRD SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015, SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015 AND SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 15 JULY 2016

This third supplemental information memorandum is dated 5 August 2016 ("Third Supplemental Information Memorandum") and must be read together with the information memorandum dated 6 April 2015 ("Information Memorandum"), supplemental information memorandum dated 13 July 2015 ("Supplemental Information Memorandum") and second supplemental information memorandum dated 15 July 2016 for the Affin Hwang Absolute Return Fund III (hereinafter referred to as "the Fund").

Manager:

Affin Hwang Asset Management Berhad (429786-T)

Trustee:

TMF Trustees Malaysia Berhad (610812-W)

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH IS TO BE READ TOGETHER WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015, SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015 AND SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 15 JULY 2016. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

THIS IS A THIRD SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015, SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015 AND SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 15 JULY 2016

Responsibility Statements

This Third Supplemental Information Memorandum has been seen and approved by the directors of Affin Hwang Asset Management Berhad and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the Fund, which is the subject of this Third Supplemental Information Memorandum, and the authorisation shall not be taken to indicate that the Securities Commission Malaysia recommends the investment.

The Securities Commission Malaysia will not be liable for any non-disclosure on the part of Affin Hwang Asset Management Berhad and takes no responsibility for the contents of the Third Supplemental Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Third Supplemental Information Memorandum.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT ON THE ACTION TO BE TAKEN SHOULD CONSULT PROFESSIONAL ADVISERS IMMEDIATELY.

Additional Information

This Third Supplemental Information Memorandum is not intended to and will not be issued and distributed in any country or jurisdiction other than in Malaysia ("Foreign Jurisdiction"). Consequently, no representation has been and will be made as to its compliance with the laws of any Foreign Jurisdiction. Accordingly, no issue or sale of Units of the Fund to which this Third Supplemental Information Memorandum relates, is made in any Foreign Jurisdiction or under any circumstances, where such action is unauthorised.

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Unless otherwise provided in this Third Supplemental Information Memorandum, all the capitalized terms used herein shall have the same meanings as ascribed to them in the Information Memorandum, Supplemental Information Memorandum and Second Supplemental Information Memorandum.

A. CHAPTER 3 – KEY DATA

Page 10-11 of the Information Memorandum

- The information in relation to the “**Asset Allocation**” is hereby deleted in its entirety and replaced with the following: -

Asset Type	% of NAV of the Fund
Equity & Equity-linked notes	0% - 100%
Fixed income instruments*	0% - 100%
Money market instruments and fixed deposits with Financial Institutions	0% - 100%
Collective investment schemes	0% - 100%
Derivatives and structured products	0% - 20%

*As stated under section 5.4, item (b), (c) and (d) of the permitted investments.

The Manager will also maintain a sufficient level of cash or cash equivalent for liquidity purposes.

- The disclosure on “**Specific Risks of Investing in the Fund**” is hereby deleted in its entirety and replaced with the following: -
- Equity investment risk
 - Equity-linked notes risk
 - Credit/default risk
 - Concentration risk
 - Interest rate risk
 - Counterparty risk
 - Derivatives risk
 - Structured product risk
 - Currency risk
 - Country risk
 - Tactical asset allocation fund risk

B. CHAPTER 4 – RISK FACTORS

Page 15 of the Information Memorandum

Section 4.2 – Specific Risks

- The following write-up on “**Structured product risk**” is inserted under this section:-

“The NAV of the Fund will be impacted by the valuation of the structured product. Factors that may impact the valuation of the structured products will include, but not be limited to movement of the underlying asset, volatility of the underlying asset, interest rate levels, the correlation of the underlying asset and other

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such factors. Any change in the aforesaid factors would either positively or negatively impact the valuation of the structured products hence impacting the NAV of the Fund. As such, the Fund's NAV will be exposed to potential price volatility, which will be dependent on the valuation of the structured products that the Fund invested in."

C. CHAPTER 5 – FUND DETAILS

Pages 18-20 of the Information Memorandum

Section 5.3 – Asset Allocation

- The information in relation to the "**Asset Allocation**" is hereby deleted in its entirety and replaced with the following: -

Asset Type	% of NAV of the Fund
Equity & Equity-linked notes	0% - 100%
Fixed income instruments*	0% - 100%
Money market instruments and fixed deposits with Financial Institutions	0% - 100%
Collective investment schemes	0% - 100%
Derivatives and structured products	0% - 20%

*As stated under section 5.4, item (b), (c) and (d) of the permitted investments.

The Manager will also maintain a sufficient level of cash or cash equivalent for liquidity purposes.

Section 5.3 – Investment Strategies

- The information in relation to the "**Investment Strategies**" is hereby deleted in its entirety and replaced with the following:

"To meet the Fund's objective, the Fund will adopt a tactical asset allocation strategy of investing in a portfolio where the Fund may invest up to 100% of the Fund's NAV in equities, equity-linked notes, fixed income instruments, collective investment schemes or money market instruments and fixed deposits with Financial Institutions. At any one time, the asset mix may also comprise all asset classes.

The investment approach employed by this strategy incorporates elements of both economic and fundamental analysis to seek profits from investments such as equities, equity-linked notes and fixed income instruments.

Economic analysis assesses the short to medium-term determinants of the economy. The focus will be on real activity and financial conditions in the economy. The analysis will also be influenced by the supply and demand market of labour, capital and resources. Fundamental analysis will take into account information gathered during company visits, key earnings drivers and earnings revision trends for the company. Various tools will be used to facilitate the valuation process, including price over earnings ratio, the discounted cash flow model and enterprise value over earnings before interest, depreciation and taxation.

To avoid large portfolio losses, the Manager will reduce market exposure and performs quick swings in asset mix when there is a negative trend shifts in the areas of investor sentiment, market liquidity, and economic data.

When choosing individual equity, following are the more important considerations:

- Corporate governance;
- Historical and expected future dividend yield;

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- Industry and business medium to long-term outlook;
- Management track record/quality;
- Financial strength and gearing levels; and
- Expected future earnings growth.

In addition, the selection of the fixed income instruments will depend largely on its credit quality, certainty of principal repayment by the issuers and the overall total return stability. There will be no minimum rating applicable in selecting the individual fixed income instruments. However, following are the more important considerations:

- Issuer's and/or guarantor's industry and business medium to long-term outlook;
- Issuer's and/or guarantor's financial strength and gearing levels;
- Issuer's and/or guarantor's cash-flow quality and volatility;
- Issuer's and/or guarantor's expected future cash flow and ability to pay interest and principal;
- Issuer's and/or guarantor's ratings by a domestic or globally recognized rating agency;
- Interest rate sensitivity;
- Collateral type and value, and claims priority; and
- Price and yield-to-maturity.

The Manager may also invest in equity linked instruments such as rights and warrants, and collective investment schemes that has similar investment objective to the Fund's investment objective. The value of the Fund's investments in units/shares of any single collective investment scheme will not exceed 25% of the Fund's NAV.

The Fund will invest in money market instruments and fixed deposits while waiting for investment opportunities to arise in equities, equity-linked notes or fixed income instruments markets. The selection of the issuers will depend largely on the credit quality and liquidity of the issuer based on the Manager's internal credit rating model.

The countries where the Fund will seek to invest in are listed or traded on selected global markets, where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions ("IOSCO").

Derivative Investments

The Manager may employ derivatives, such as foreign exchanged forward contracts and cross currency swaps mainly 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 investments back to RM. 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 gains from the hedging strategy will be capped as well. The Fund may also employ derivatives for investment purposes to enhance the returns of the Fund by taking a view on the underlying asset or currency and establish a long position to gain a specific underlying exposure. The types of derivatives envisaged for hedging as well as for investment purposes include forwards and swaps which are over-the-counter (OTC) or traded on a centralized exchange.

Structured Product Investments

The Fund may also invest in structured products, such as equity-linked notes (ELN), and credit-linked notes (CLN). As these instruments are structured by a third party, investments into these instruments will result in the Fund being exposed to counterparty, on top of the structured product risks that it is exposed to through the investment. Similarly, the prices of these structures are generally linked to an underlying asset e.g. an ELN will be linked to an underlying equity / basket of equities. As such, the investments into the ELN will also expose the Fund to a similar risk as investing into a direct equity i.e. equity risks. Therefore, the exposure into structured products is not expected to be a significant, relative to the size of the Fund.

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Section 5.4 – Permitted Investments

- The information in relation to the “**Permitted Investments**” is hereby deleted in its entirety and replaced with the following:
- (a) Equities;
 - (b) Debt securities;
 - (c) Money market instruments;
 - (d) Fixed deposits;
 - (e) Derivatives;
 - (f) Structured products;
 - (g) Units/shares in collective investment schemes; and
 - (h) Any other form of investments as may be determined by the Manager from time to time that is in line with the Fund’s objectives.

Section 5.6 – Valuation of Assets

- The information in relation to the “**Derivatives**” is hereby deleted in its entirety and replaced with the following:

“Derivatives and Structured Product

The valuation of derivatives and structured products will be based on the rates provided by the respective issuers. For foreign exchange forward contracts (“FX Forwards”), the Manager will apply interpolation formula to compute the value of the FX Forwards based on the rates provided by the Bloomberg. If the rates are not available on the Bloomberg, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where the Manager is unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance to fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.”

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CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015**

This second supplemental information memorandum is dated 15 July 2016 (“Second Supplemental Information Memorandum”) and must be read together with the information memorandum dated 6 April 2015 (“Information Memorandum”) and supplemental information memorandum dated 13 July 2015 (“Supplemental Information Memorandum”) for the Affin Hwang Absolute Return Fund III (hereinafter referred to as “the Fund”).

Manager:

Affin Hwang Asset Management Berhad (429786-T)

Trustee:

TMF Trustees Malaysia Berhad (610812-W)

**INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS
SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH IS TO BE READ
TOGETHER WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015. IF IN
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CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015**

Responsibility Statements

This Second Supplemental Information Memorandum has been seen and approved by the directors of Affin Hwang Asset Management Berhad and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the Fund, which is the subject of this Second Supplemental Information Memorandum, and the authorisation shall not be taken to indicate that the Securities Commission Malaysia recommends the investment.

The Securities Commission Malaysia will not be liable for any non-disclosure on the part of Affin Hwang Asset Management Berhad and takes no responsibility for the contents of the Second Supplemental Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Second Supplemental Information Memorandum.

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Additional Information

This Second Supplemental Information Memorandum is not intended to and will not be issued and distributed in any country or jurisdiction other than in Malaysia ("Foreign Jurisdiction"). Consequently, no representation has been and will be made as to its compliance with the laws of any Foreign Jurisdiction. Accordingly, no issue or sale of Units of the Fund to which this Second Supplemental Information Memorandum relates, is made in any Foreign Jurisdiction or under any circumstances, where such action is unauthorised.

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Unless otherwise provided in this Second Supplemental Information Memorandum, all the capitalized terms used herein shall have the same meanings as ascribed to them in the Information Memorandum and Supplemental Information Memorandum.

The following amendments will come into effect on the 29 July 2016.

EXPLANATORY NOTE

- The business address of the Manager has been changed to Ground Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur.
- Mr. Blair Chilton Pickerel, a director of the Manager and Ms. Eleanor Seet Oon Hui, an alternate director to Mr. Blair Chilton Pickerel have resigned from the board of directors of the Manager.
- Mr. David Jonathan Semaya has been appointed as a director of the Manager.
- Mr. Blair Chilton Pickerel, an audit committee member of the Manager has been replaced by Mr. David Jonathan Semaya.
- Insertion of the definition of “development financial institutions”.
- The minimum initial investment amount is amended from RM 30,000 to RM 100,000.
- The minimum additional investment amount is amended from RM 10,000 to RM 50,000.
- Information on the “Switching Fee” and “Switching Facility” are amended for clarity purposes.
- The definitions of “Guidelines” and “Qualified Investors” are amended pursuant to the Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework.

A. GENERAL AMENDMENT

All references to the “Affin Hwang Asset Management Berhad (*formerly known as Hwang Investment Management Berhad*)” will be deleted and replaced with “Affin Hwang Asset Management Berhad” or “AHAM”.

All references to the “Qualified Investors” will be deleted and replaced with “Sophisticated Investors”.

B. CHAPTER 1 – CORPORATE DIRECTORY

Page 5 of the Information Memorandum

- AHAM’s business address is hereby deleted in its entirety and replaced with the following:

Ground Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur.
- The information on the “Board of Directors of the Manager” is hereby deleted in its entirety and replaced with the following:
 - Tan Sri Dato’ Seri Che Lodin Bin Wok Kamaruddin
 - Puan Maimoonah Binti Mohamed Hussain
 - Mr Teng Chee Wai
 - Mr David Jonathan Semaya
 - Encik Abd Malik Bin A Rahman (Independent Director)
 - Dato’ Hj Latip Bin Ismail (Independent Director)

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- The information on the “Audit Committee of the Manager” is hereby deleted in its entirety and replaced with the following:

- YBhg Mej Jen Dato’ Hj Latip bin Ismail (Chairman, Independent member)
- En. Abd Malik bin A Rahman (Independent member)
- Mr. David Jonathan Semaya (Non-independent member)

C. CHAPTER 2 – GLOSSARY

Page 6 of the Information Memorandum

- The definition of “**Financial Institution**” is hereby deleted in its entirety and replaced with the following:

financial institution	Means (a) if the institution is in Malaysia – (i) licensed bank; (ii) licensed investment bank; (iii) development financial institutions: or (iv) licensed Islamic bank; (b) if the institution is outside Malaysia, any institution that is licensed or registered or approved or authorised by the relevant banking regulator to provide financial services.
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- The definition of “**Guidelines**” is hereby deleted in its entirety and replaced with the following:

Guidelines	Means Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework issued by the SC and as amended from time to time.
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- The insertion of the definition of “**development financial institutions**”:

development financial institutions	Means specialised financial institutions established by the Malaysian government with specific mandate to develop and promote key sectors.
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Page 7 of the Information Memorandum

- The definition of “**the Manager**” is hereby deleted in its entirety and replaced with the following:

the Manager/ AHAM	Refers to Affin Hwang Asset Management Berhad.
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Page 8 of the Information Memorandum

- The definition of “**Qualified Investors**” is hereby deleted in its entirety and replaced with the following:

Sophisticated Investors	Refers to – (1) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed RM3 million or its equivalent in foreign currencies, excluding the value of the individual’s primary residence; (2) an individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months; (3) an individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies per annum in the preceding 12 months; (4) a corporation with total net assets exceeding RM10 million or its equivalent in
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	foreign currencies based on the last audited accounts;
(5)	a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
(6)	a unit trust scheme or prescribed investment scheme;
(7)	a private retirement scheme;
(8)	a closed-end fund approved by SC;
(9)	a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies;
(10)	a corporation that is a public company under the Companies Act 1965 which is approved by the SC to be a trustee under the Act and has assets under management exceeding RM10 million or its equivalent in foreign currencies;
(11)	a statutory body established by an Act of Parliament or an enactment of any State;
(12)	a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967 [Act 53];
(13)	a holder of a capital markets services licence or an executive director or a chief executive officer of a holder of a capital markets services licence;
(14)	a licensed institution as defined in the Financial Services Act 2013;
(15)	an Islamic bank as defined in the Islamic Financial Services Act 2013;
(16)	an insurance company licensed under the Financial Services Act 2013;
(17)	a takaful operator registered under the Islamic Financial Services Act 2013;
(18)	a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010 [704];
(19)	an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010 [705]; and
(20)	such other investor(s) as may be permitted by the SC from time to time and/or under the relevant guidelines for wholesale funds.

D. CHAPTER 3 – KEY DATA

Page 11 of the Information Memorandum

- The disclosure on “**Switching Fee**” is hereby deleted in its entirety and replaced with the following:

Switching Fee	<p>➤ <i>Switching from this Fund into other funds managed by AHAM</i></p> <p>A switching fee of up to 1% of the NAV per Unit of the Fund will be charged within the first six (6) months from the earliest date of your investment in the Fund. After the expiry of the first six (6) months, if the sales charge of the fund (or its class) that you intend to switch into is higher than the Sales Charge paid for the Fund, you will need to pay the difference between the intended fund (or its class) and the Fund. Conversely, no sales charge will be imposed on the intended fund (or its class) if it is less than or equal to the Sales Charge paid for the Fund. It is important to note that you are not entitled to any refund of the Sales Charge paid on the Fund, which exceeds that imposed on the intended fund (or its class).</p>
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Page 12 of the Information Memorandum

- The disclosure on **“Minimum Initial Investment”** is hereby deleted in its entirety and replaced with the following:

Minimum Initial Investment ⁺	RM 100,000
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- The disclosure on **“Minimum Additional Investment”** is hereby deleted in its entirety and replaced with the following:

Minimum Additional Investment ⁺	RM 50,000
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- The disclosure on **“Switching Facility”** is hereby deleted in its entirety and replaced with the following: -

Switching Facility	<p>Switching facility enables you to switch into any of our funds (or its classes), provided that the fund (or its class) is denominated in RM, and it is subject to the terms and conditions applicable for the respective funds. The minimum amount per switch is 60,000 Units or such other amount as may be determined by AHAM from time to time. However, you must meet the minimum holding of Units requirements and the minimum investment amount of the fund (or its class) that you intend to switch into. The minimum holding of Units of the Fund is 60,000 Units.</p> <p>You are also to note that we reserve the right to reject any switching requests that are regarded as disruptive to efficient portfolio management, or request that we deem to be contrary to the best interest of the Fund and/or the existing Unit Holders.</p>
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E. CHAPTER 6 – FEES AND CHARGES

Page 23 of the Information Memorandum

Section 6.4 – Switching Fee

- The disclosure on **“Switching Fee”** is hereby deleted in its entirety and replaced with the following:

Switching Fee	<p>➤ <i>Switching from this Fund into other funds managed by AHAM</i></p> <p>A switching fee of up to 1% of the NAV per Unit of the Fund will be charged within the first six (6) months from the earliest date of your investment in the Fund. After the expiry of the first six (6) months, if the sales charge of the fund (or its class) that you intend to switch into is higher than the Sales Charge paid for the Fund, you will need to pay the difference between the intended fund (or its class) and the Fund. Conversely, no sales charge will be imposed on the intended fund (or its class) if it is less than or equal to the Sales Charge paid for the Fund. It is important to note that you are not entitled to any refund of the Sales Charge paid on the Fund, which exceeds that imposed on the intended fund (or its class).</p>
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⁺subject to the Manager’s discretion, the investor may negotiate for a lower amount or value.

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F. CHAPTER 7 – SALE AND PURCHASE OF UNITS

Pages 31 of the Information Memorandum

Section 7.3 – Sale of Units

- The first (1st) paragraph of the disclosure on “**Minimum Initial Investment**” and “**Minimum Additional Investment**” are hereby deleted in its entirety and replaced with the following:

Minimum Initial Investment	Minimum Additional Investment
RM 100,000	RM 50,000

Subject to the Manager’s discretion, you may negotiate for a lower amount or value.

Pages 32 of the Information Memorandum

Section 7.10 – Switching Facility

- The disclosure on “**Switching Facility**” is hereby deleted in its entirety and replaced with the following:

Switching facility enables you to switch into any of our funds (or its classes), provided that the fund (or its class) is denominated in RM, and it is subject to the terms and conditions applicable for the respective funds. The minimum amount per switch is 60,000 Units or such other amount as may be determined by AHAM from time to time.

However, you must meet the minimum holding of Units requirements of the Fund and the minimum investment amount of the fund (or its class) that you intend to switch into. The minimum holding of Units of the Fund is 60,000 Units.

You are also to note that we reserve the right to reject any switching request that is regarded as disruptive to efficient portfolio management, or request that we deem to be contrary to the best interest of the Fund and/or the existing Unit Holders.

The process of the switching application is as below:

• **Switching from the Fund into other funds managed by AHAM**

You must complete a switching transaction form and submit it to us at or before the cut-off time of 3.30 p.m. on a Business Day (or “T Day”) together with relevant supporting documents, if any. If we receive your switching request after 3.30p.m., we will process your request on the next Business Day.

You should note that the pricing day of a fund (or its class) may not be of the same day as we receive your switching application. Please see below the pricing policy of switching for all our funds:

Switching Out Fund	Switching In Fund	Pricing Day	
		Switching Out Fund	Switching In Fund
Money market fund	Money market fund	T Day	T Day
Money market fund	Non-money market fund		
Non-money market fund	Non-money market fund		
Money market fund	Money market fund (which adopts historical pricing policy)	T Day	T + 1 Day
Non-money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund

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G. CHAPTER 11 – DIRECTORY OF SALES OFFICE

Pages 40 of the Information Memorandum

The information on the “**Directory of Sales Office**” is hereby deleted in its entirety and replaced with the following:

HEAD OFFICE

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

SELANGOR

A-7-G Jaya One
No. 72A, Jalan Universiti
46200, Petaling Jaya, Selangor
Tel: 03 - 7620 1290
Fax: 03 - 7620 1298

PENANG

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

PERAK

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

JOHOR

1st Floor, No. 93,
Jalan Molek 1/29
Taman Molek
81100 Johor Bahru, Johor
Tel : 07 – 351 5677 / 5977
Fax : 07 – 351 5377

MELAKA

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

SABAH

Lot No. B-2-09, 2nd Floor
Block B, Warisan Square
Jalan Tun Fuad Stephens
88000 Kota Kinabalu, Sabah
Tel : 088 - 252 881
Fax : 088 - 288 803

SARAWAK

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

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

**THIS IS A SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015**

**This supplemental information memorandum is dated 13 July 2015
("Supplemental Information Memorandum") and must be read together with the information
memorandum dated 6 April 2015 ("Information Memorandum") for Affin Hwang Absolute
Return Fund III (hereinafter is referred to as "the Fund").**

Manager:

**Affin Hwang Asset Management Berhad
(formerly known as Hwang Investment Management Berhad) (429786-T)**

Trustee:

TMF Trustees Malaysia Berhad (610812-W)

**INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS SUPPLEMENTAL
INFORMATION MEMORANDUM WHICH IS TO BE READ TOGETHER WITH THE INFORMATION
MEMORANDUM DATED 6 APRIL 2015. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.**

**THIS IS A SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015**

Responsibility Statements

This Supplemental Information Memorandum has been seen and approved by the directors of Affin Hwang Asset Management Berhad (formerly known as Hwang Investment Management Berhad) and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the Fund, which is the subject of this Supplemental Information Memorandum, and the authorisation shall not be taken to indicate that the Securities Commission Malaysia recommends the investment.

The Securities Commission Malaysia will not be liable for any non-disclosure on the part of Affin Hwang Asset Management Berhad (formerly known as Hwang Investment Management Berhad) and takes no responsibility for the contents of the Supplemental Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Supplemental Information Memorandum.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT ON THE ACTION TO BE TAKEN SHOULD CONSULT PROFESSIONAL ADVISERS IMMEDIATELY.

Additional Information

This Supplemental Information Memorandum is not intended to and will not be issued and distributed in any country or jurisdiction other than in Malaysia ("Foreign Jurisdiction"). Consequently, no representation has been and will be made as to its compliance with the laws of any Foreign Jurisdiction. Accordingly, no issue or sale of Units of the Fund to which this Supplemental Information Memorandum relates, is made in any Foreign Jurisdiction or under any circumstances, where such action is unauthorised.

**THIS IS A SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015**

Unless otherwise provided in this Supplemental Information Memorandum, all the capitalized terms used herein shall have the same meanings as ascribed to them in the Information Memorandum.

The following amendments will come into effect seven (7) days from the date of this Supplemental Information Memorandum.

A. GENERAL AMENDMENT

Annual trustee fee

The minimum trustee fee of RM12,000 per annum (excluding foreign custodian fees and charges) is hereby deleted for this Fund.

B. CHAPTER 3– KEY DATA

Page 11 of the Information Memorandum

The disclosure on “**Specific Risks of Investing in the Fund**” is hereby deleted in its entirety and replaced with the following: -

- Equity investment risk
- Equity-linked notes risk
- Credit/default risk
- Concentration risk
- Interest rate risk
- Counterparty risk
- Derivatives risk
- Currency risk
- Country risk
- Tactical asset allocation fund risk

C. CHAPTER 4 – RISK FACTORS

Page 14-16 of the Information Memorandum

Section 4.2 – Specific Risks

The following write-up on “**Derivatives risk**” is inserted under this section:-

“The use of derivatives carries some risks. The pricing of the derivatives will depend on the price movements of the underlying assets. Any change to the pricing of the underlying assets would either positively or negatively impact the value of the derivatives hence impacting the NAV of the Fund. For the purposes of hedging, if, in the opinion of the Manager, the price movement of the underlying assets indicates a downward trend in pricing, the Manager may consider liquidating the derivatives to mitigate potential losses that may arise.”

D. CHAPTER 5 – FUND DETAILS

Pages 18 - 19 of the Information Memorandum

The information in relation to the “**Investment Strategies**” is hereby deleted in its entirety and replaced with the following:

“To meet the Fund’s objective, the Fund will adopt a tactical asset allocation strategy of investing in a portfolio where the Fund may invest up to 100% of the Fund’s NAV in equities, equity-linked notes,

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fixed income instruments, collective investment schemes or money market instruments and fixed deposits with Financial Institutions. At any one time, the asset mix may also comprise all asset classes.

The investment approach employed by this strategy incorporates elements of both economic and fundamental analysis to seek profits from investments such as equities, equity-linked notes and fixed income instruments.

Economic analysis assesses the short to medium-term determinants of the economy. The focus will be on real activity and financial conditions in the economy. The analysis will also be influenced by the supply and demand market of labour, capital and resources. Fundamental analysis will take into account information gathered during company visits, key earnings drivers and earnings revision trends for the company. Various tools will be used to facilitate the valuation process, including price over earnings ratio, the discounted cash flow model and enterprise value over earnings before interest, depreciation and taxation.

To avoid large portfolio losses, the Manager will reduce market exposure and performs quick swings in asset mix when there is a negative trend shifts in the areas of investor sentiment, market liquidity, and economic data.

When choosing individual equity, following are the more important considerations:

- Corporate governance;
- Historical and expected future dividend yield;
- Industry and business medium to long-term outlook;
- Management track record/quality;
- Financial strength and gearing levels; and
- Expected future earnings growth.

In addition, the selection of the fixed income instruments will depend largely on its credit quality, certainty of principal repayment by the issuers and the overall total return stability. There will be no minimum rating applicable in selecting the individual fixed income instruments. However, following are the more important considerations:

- Issuer's and/or guarantor's industry and business medium to long-term outlook;
- Issuer's and/or guarantor's financial strength and gearing levels;
- Issuer's and/or guarantor's cash-flow quality and volatility;
- Issuer's and/or guarantor's expected future cash flow and ability to pay interest and principal;
- Issuer's and/or guarantor's ratings by a domestic or globally recognized rating agency;
- Interest rate sensitivity;
- Collateral type and value, and claims priority; and
- Price and yield-to-maturity.

The Manager may also invest in equity linked instruments such as rights and warrants, and collective investment schemes that has similar investment objective to the Fund's investment objective. The value of the Fund's investments in units/shares of any single collective investment scheme will not exceed 25% of the Fund's NAV.

The Fund will invest in money market instruments and fixed deposits while waiting for investment opportunities to arise in equities, equity-linked notes or fixed income instruments markets. The selection of the issuers will depend largely on the credit quality and liquidity of the issuer based on the Manager's internal credit rating model.

The countries where the Fund will seek to invest in are listed or traded on selected global markets, where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions ("IOSCO").

**THIS IS A SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015**

Derivative Investments

The Manager may employ derivatives, such as foreign exchanged forward contracts and cross currency swaps mainly 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 investments back to RM. 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 gains from the hedging strategy will be capped as well. The Fund may also employ derivatives for investment purposes to enhance the returns of the Fund by taking a view on the underlying asset or currency and establish a long position to gain a specific underlying exposure.

The types of derivatives envisaged for hedging as well as for investment purposes include forwards and swaps which are over-the-counter (OTC) or traded on a centralized exchange."

**THIS IS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015**

This second supplemental information memorandum is dated 15 July 2016 (“Second Supplemental Information Memorandum”) and must be read together with the information memorandum dated 6 April 2015 (“Information Memorandum”) and supplemental information memorandum dated 13 July 2015 (“Supplemental Information Memorandum”) for the Affin Hwang Absolute Return Fund III (hereinafter referred to as “the Fund”).

Manager:

Affin Hwang Asset Management Berhad (429786-T)

Trustee:

TMF Trustees Malaysia Berhad (610812-W)

**INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS
SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH IS TO BE READ
TOGETHER WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015. IF IN
DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.**

THIS IS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015

Responsibility Statements

This Second Supplemental Information Memorandum has been seen and approved by the directors of Affin Hwang Asset Management Berhad and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the Fund, which is the subject of this Second Supplemental Information Memorandum, and the authorisation shall not be taken to indicate that the Securities Commission Malaysia recommends the investment.

The Securities Commission Malaysia will not be liable for any non-disclosure on the part of Affin Hwang Asset Management Berhad and takes no responsibility for the contents of the Second Supplemental Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Second Supplemental Information Memorandum.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT ON THE ACTION TO BE TAKEN SHOULD CONSULT PROFESSIONAL ADVISERS IMMEDIATELY.

Additional Information

This Second Supplemental Information Memorandum is not intended to and will not be issued and distributed in any country or jurisdiction other than in Malaysia ("Foreign Jurisdiction"). Consequently, no representation has been and will be made as to its compliance with the laws of any Foreign Jurisdiction. Accordingly, no issue or sale of Units of the Fund to which this Second Supplemental Information Memorandum relates, is made in any Foreign Jurisdiction or under any circumstances, where such action is unauthorised.

**THIS IS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015**

Unless otherwise provided in this Second Supplemental Information Memorandum, all the capitalized terms used herein shall have the same meanings as ascribed to them in the Information Memorandum and Supplemental Information Memorandum.

The following amendments will come into effect on the 29 July 2016.

EXPLANATORY NOTE

- The business address of the Manager has been changed to Ground Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur.
- Mr. Blair Chilton Pickerel, a director of the Manager and Ms. Eleanor Seet Oon Hui, an alternate director to Mr. Blair Chilton Pickerel have resigned from the board of directors of the Manager.
- Mr. David Jonathan Semaya has been appointed as a director of the Manager.
- Mr. Blair Chilton Pickerel, an audit committee member of the Manager has been replaced by Mr. David Jonathan Semaya.
- Insertion of the definition of “development financial institutions”.
- The minimum initial investment amount is amended from RM 30,000 to RM 100,000.
- The minimum additional investment amount is amended from RM 10,000 to RM 50,000.
- Information on the “Switching Fee” and “Switching Facility” are amended for clarity purposes.
- The definitions of “Guidelines” and “Qualified Investors” are amended pursuant to the Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework.

A. GENERAL AMENDMENT

All references to the “Affin Hwang Asset Management Berhad (*formerly known as Hwang Investment Management Berhad*)” will be deleted and replaced with “Affin Hwang Asset Management Berhad” or “AHAM”.

All references to the “Qualified Investors” will be deleted and replaced with “Sophisticated Investors”.

B. CHAPTER 1 – CORPORATE DIRECTORY

Page 5 of the Information Memorandum

- AHAM’s business address is hereby deleted in its entirety and replaced with the following:

Ground Floor, Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur.

- The information on the “Board of Directors of the Manager” is hereby deleted in its entirety and replaced with the following:

- Tan Sri Dato’ Seri Che Lodin Bin Wok Kamaruddin
- Puan Maimoonah Binti Mohamed Hussain
- Mr Teng Chee Wai
- Mr David Jonathan Semaya
- Encik Abd Malik Bin A Rahman (Independent Director)
- Dato’ Hj Latip Bin Ismail (Independent Director)

THIS IS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015

- The information on the “Audit Committee of the Manager” is hereby deleted in its entirety and replaced with the following:

- YBhg Mej Jen Dato’ Hj Latip bin Ismail (Chairman, Independent member)
- En. Abd Malik bin A Rahman (Independent member)
- Mr. David Jonathan Semaya (Non-independent member)

C. CHAPTER 2 – GLOSSARY

Page 6 of the Information Memorandum

- The definition of “**Financial Institution**” is hereby deleted in its entirety and replaced with the following:

financial institution	Means (a) if the institution is in Malaysia – (i) licensed bank; (ii) licensed investment bank; (iii) development financial institutions: or (iv) licensed Islamic bank; (b) if the institution is outside Malaysia, any institution that is licensed or registered or approved or authorised by the relevant banking regulator to provide financial services.
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- The definition of “**Guidelines**” is hereby deleted in its entirety and replaced with the following:

Guidelines	Means Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework issued by the SC and as amended from time to time.
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- The insertion of the definition of “**development financial institutions**”:

development financial institutions	Means specialised financial institutions established by the Malaysian government with specific mandate to develop and promote key sectors.
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Page 7 of the Information Memorandum

- The definition of “**the Manager**” is hereby deleted in its entirety and replaced with the following:

the Manager/ AHAM	Refers to Affin Hwang Asset Management Berhad.
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Page 8 of the Information Memorandum

- The definition of “**Qualified Investors**” is hereby deleted in its entirety and replaced with the following:

Sophisticated Investors	Refers to – (1) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed RM3 million or its equivalent in foreign currencies, excluding the value of the individual’s primary residence; (2) an individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months; (3) an individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies per annum in the preceding 12 months; (4) a corporation with total net assets exceeding RM10 million or its equivalent in
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**THIS IS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015**

	foreign currencies based on the last audited accounts;
(5)	a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
(6)	a unit trust scheme or prescribed investment scheme;
(7)	a private retirement scheme;
(8)	a closed-end fund approved by SC;
(9)	a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies;
(10)	a corporation that is a public company under the Companies Act 1965 which is approved by the SC to be a trustee under the Act and has assets under management exceeding RM10 million or its equivalent in foreign currencies;
(11)	a statutory body established by an Act of Parliament or an enactment of any State;
(12)	a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967 [Act 53];
(13)	a holder of a capital markets services licence or an executive director or a chief executive officer of a holder of a capital markets services licence;
(14)	a licensed institution as defined in the Financial Services Act 2013;
(15)	an Islamic bank as defined in the Islamic Financial Services Act 2013;
(16)	an insurance company licensed under the Financial Services Act 2013;
(17)	a takaful operator registered under the Islamic Financial Services Act 2013;
(18)	a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010 [704];
(19)	an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010 [705]; and
(20)	such other investor(s) as may be permitted by the SC from time to time and/or under the relevant guidelines for wholesale funds.

D. CHAPTER 3 – KEY DATA

Page 11 of the Information Memorandum

- The disclosure on “**Switching Fee**” is hereby deleted in its entirety and replaced with the following:

Switching Fee	<p>➤ <i>Switching from this Fund into other funds managed by AHAM</i></p> <p>A switching fee of up to 1% of the NAV per Unit of the Fund will be charged within the first six (6) months from the earliest date of your investment in the Fund. After the expiry of the first six (6) months, if the sales charge of the fund (or its class) that you intend to switch into is higher than the Sales Charge paid for the Fund, you will need to pay the difference between the intended fund (or its class) and the Fund. Conversely, no sales charge will be imposed on the intended fund (or its class) if it is less than or equal to the Sales Charge paid for the Fund. It is important to note that you are not entitled to any refund of the Sales Charge paid on the Fund, which exceeds that imposed on the intended fund (or its class).</p>
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**THIS IS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015**

Page 12 of the Information Memorandum

- The disclosure on **“Minimum Initial Investment”** is hereby deleted in its entirety and replaced with the following:

Minimum Initial Investment ⁺	RM 100,000
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- The disclosure on **“Minimum Additional Investment”** is hereby deleted in its entirety and replaced with the following:

Minimum Additional Investment ⁺	RM 50,000
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- The disclosure on **“Switching Facility”** is hereby deleted in its entirety and replaced with the following: -

Switching Facility	<p>Switching facility enables you to switch into any of our funds (or its classes), provided that the fund (or its class) is denominated in RM, and it is subject to the terms and conditions applicable for the respective funds. The minimum amount per switch is 60,000 Units or such other amount as may be determined by AHAM from time to time. However, you must meet the minimum holding of Units requirements and the minimum investment amount of the fund (or its class) that you intend to switch into. The minimum holding of Units of the Fund is 60,000 Units.</p> <p>You are also to note that we reserve the right to reject any switching requests that are regarded as disruptive to efficient portfolio management, or request that we deem to be contrary to the best interest of the Fund and/or the existing Unit Holders.</p>
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E. CHAPTER 6 – FEES AND CHARGES

Page 23 of the Information Memorandum

Section 6.4 – Switching Fee

- The disclosure on **“Switching Fee”** is hereby deleted in its entirety and replaced with the following:

Switching Fee	<p>➤ <i>Switching from this Fund into other funds managed by AHAM</i></p> <p>A switching fee of up to 1% of the NAV per Unit of the Fund will be charged within the first six (6) months from the earliest date of your investment in the Fund. After the expiry of the first six (6) months, if the sales charge of the fund (or its class) that you intend to switch into is higher than the Sales Charge paid for the Fund, you will need to pay the difference between the intended fund (or its class) and the Fund. Conversely, no sales charge will be imposed on the intended fund (or its class) if it is less than or equal to the Sales Charge paid for the Fund. It is important to note that you are not entitled to any refund of the Sales Charge paid on the Fund, which exceeds that imposed on the intended fund (or its class).</p>
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⁺subject to the Manager’s discretion, the investor may negotiate for a lower amount or value.

**THIS IS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015**

F. CHAPTER 7 – SALE AND PURCHASE OF UNITS

Pages 31 of the Information Memorandum

Section 7.3 – Sale of Units

- The first (1st) paragraph of the disclosure on “**Minimum Initial Investment**” and “**Minimum Additional Investment**” are hereby deleted in its entirety and replaced with the following:

Minimum Initial Investment	Minimum Additional Investment
RM 100,000	RM 50,000

Subject to the Manager’s discretion, you may negotiate for a lower amount or value.

Pages 32 of the Information Memorandum

Section 7.10 – Switching Facility

- The disclosure on “**Switching Facility**” is hereby deleted in its entirety and replaced with the following:

Switching facility enables you to switch into any of our funds (or its classes), provided that the fund (or its class) is denominated in RM, and it is subject to the terms and conditions applicable for the respective funds. The minimum amount per switch is 60,000 Units or such other amount as may be determined by AHAM from time to time.

However, you must meet the minimum holding of Units requirements of the Fund and the minimum investment amount of the fund (or its class) that you intend to switch into. The minimum holding of Units of the Fund is 60,000 Units.

You are also to note that we reserve the right to reject any switching request that is regarded as disruptive to efficient portfolio management, or request that we deem to be contrary to the best interest of the Fund and/or the existing Unit Holders.

The process of the switching application is as below:

- **Switching from the Fund into other funds managed by AHAM**

You must complete a switching transaction form and submit it to us at or before the cut-off time of 3.30 p.m. on a Business Day (or “T Day”) together with relevant supporting documents, if any. If we receive your switching request after 3.30p.m., we will process your request on the next Business Day.

You should note that the pricing day of a fund (or its class) may not be of the same day as we receive your switching application. Please see below the pricing policy of switching for all our funds:

Switching Out Fund	Switching In Fund	Pricing Day	
		Switching Out Fund	Switching In Fund
Money market fund	Money market fund	T Day	T Day
Money market fund	Non-money market fund		
Non-money market fund	Non-money market fund		
Money market fund	Money market fund (which adopts historical pricing policy)	T Day	T + 1 Day
Non-money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund

**THIS IS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN
CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015 AND
SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015**

G. CHAPTER 11 – DIRECTORY OF SALES OFFICE

Pages 40 of the Information Memorandum

The information on the “**Directory of Sales Office**” is hereby deleted in its entirety and replaced with the following:

HEAD OFFICE

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

SELANGOR

A-7-G Jaya One
No. 72A, Jalan Universiti
46200, Petaling Jaya, Selangor
Tel: 03 - 7620 1290
Fax: 03 - 7620 1298

PENANG

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

PERAK

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

JOHOR

1st Floor, No. 93,
Jalan Molek 1/29
Taman Molek
81100 Johor Bahru, Johor
Tel : 07 – 351 5677 / 5977
Fax : 07 – 351 5377

MELAKA

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

SABAH

Lot No. B-2-09, 2nd Floor
Block B, Warisan Square
Jalan Tun Fuad Stephens
88000 Kota Kinabalu, Sabah
Tel : 088 - 252 881
Fax : 088 - 288 803

SARAWAK

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

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

THIS IS A THIRD SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015, SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015 AND SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 15 JULY 2016

This third supplemental information memorandum is dated 5 August 2016 (“Third Supplemental Information Memorandum”) and must be read together with the information memorandum dated 6 April 2015 (“Information Memorandum”), supplemental information memorandum dated 13 July 2015 (“Supplemental Information Memorandum”) and second supplemental information memorandum dated 15 July 2016 for the Affin Hwang Absolute Return Fund III (hereinafter referred to as “the Fund”).

Manager:

Affin Hwang Asset Management Berhad (429786-T)

Trustee:

TMF Trustees Malaysia Berhad (610812-W)

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM WHICH IS TO BE READ TOGETHER WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015, SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015 AND SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 15 JULY 2016. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

THIS IS A THIRD SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015, SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015 AND SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 15 JULY 2016

Responsibility Statements

This Third Supplemental Information Memorandum has been seen and approved by the directors of Affin Hwang Asset Management Berhad and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the Fund, which is the subject of this Third Supplemental Information Memorandum, and the authorisation shall not be taken to indicate that the Securities Commission Malaysia recommends the investment.

The Securities Commission Malaysia will not be liable for any non-disclosure on the part of Affin Hwang Asset Management Berhad and takes no responsibility for the contents of the Third Supplemental Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Third Supplemental Information Memorandum.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT ON THE ACTION TO BE TAKEN SHOULD CONSULT PROFESSIONAL ADVISERS IMMEDIATELY.

Additional Information

This Third Supplemental Information Memorandum is not intended to and will not be issued and distributed in any country or jurisdiction other than in Malaysia ("Foreign Jurisdiction"). Consequently, no representation has been and will be made as to its compliance with the laws of any Foreign Jurisdiction. Accordingly, no issue or sale of Units of the Fund to which this Third Supplemental Information Memorandum relates, is made in any Foreign Jurisdiction or under any circumstances, where such action is unauthorised.

THIS IS A THIRD SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015, SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015 AND SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 15 JULY 2016

Unless otherwise provided in this Third Supplemental Information Memorandum, all the capitalized terms used herein shall have the same meanings as ascribed to them in the Information Memorandum, Supplemental Information Memorandum and Second Supplemental Information Memorandum.

A. CHAPTER 3 – KEY DATA

Page 10-11 of the Information Memorandum

- The information in relation to the “**Asset Allocation**” is hereby deleted in its entirety and replaced with the following: -

Asset Type	% of NAV of the Fund
Equity & Equity-linked notes	0% - 100%
Fixed income instruments*	0% - 100%
Money market instruments and fixed deposits with Financial Institutions	0% - 100%
Collective investment schemes	0% - 100%
Derivatives and structured products	0% - 20%

*As stated under section 5.4, item (b), (c) and (d) of the permitted investments.

The Manager will also maintain a sufficient level of cash or cash equivalent for liquidity purposes.

- The disclosure on “**Specific Risks of Investing in the Fund**” is hereby deleted in its entirety and replaced with the following: -
- Equity investment risk
 - Equity-linked notes risk
 - Credit/default risk
 - Concentration risk
 - Interest rate risk
 - Counterparty risk
 - Derivatives risk
 - Structured product risk
 - Currency risk
 - Country risk
 - Tactical asset allocation fund risk

B. CHAPTER 4 – RISK FACTORS

Page 15 of the Information Memorandum

Section 4.2 – Specific Risks

- The following write-up on “**Structured product risk**” is inserted under this section:-

“The NAV of the Fund will be impacted by the valuation of the structured product. Factors that may impact the valuation of the structured products will include, but not be limited to movement of the underlying asset, volatility of the underlying asset, interest rate levels, the correlation of the underlying asset and other

THIS IS A THIRD SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 6 APRIL 2015, SUPPLEMENTAL INFORMATION MEMORANDUM DATED 13 JULY 2015 AND SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 15 JULY 2016

such factors. Any change in the aforesaid factors would either positively or negatively impact the valuation of the structured products hence impacting the NAV of the Fund. As such, the Fund's NAV will be exposed to potential price volatility, which will be dependent on the valuation of the structured products that the Fund invested in."

C. CHAPTER 5 – FUND DETAILS

Pages 18-20 of the Information Memorandum

Section 5.3 – Asset Allocation

- The information in relation to the "**Asset Allocation**" is hereby deleted in its entirety and replaced with the following: -

Asset Type	% of NAV of the Fund
Equity & Equity-linked notes	0% - 100%
Fixed income instruments*	0% - 100%
Money market instruments and fixed deposits with Financial Institutions	0% - 100%
Collective investment schemes	0% - 100%
Derivatives and structured products	0% - 20%

*As stated under section 5.4, item (b), (c) and (d) of the permitted investments.

The Manager will also maintain a sufficient level of cash or cash equivalent for liquidity purposes.

Section 5.3 – Investment Strategies

- The information in relation to the "**Investment Strategies**" is hereby deleted in its entirety and replaced with the following:

"To meet the Fund's objective, the Fund will adopt a tactical asset allocation strategy of investing in a portfolio where the Fund may invest up to 100% of the Fund's NAV in equities, equity-linked notes, fixed income instruments, collective investment schemes or money market instruments and fixed deposits with Financial Institutions. At any one time, the asset mix may also comprise all asset classes.

The investment approach employed by this strategy incorporates elements of both economic and fundamental analysis to seek profits from investments such as equities, equity-linked notes and fixed income instruments.

Economic analysis assesses the short to medium-term determinants of the economy. The focus will be on real activity and financial conditions in the economy. The analysis will also be influenced by the supply and demand market of labour, capital and resources. Fundamental analysis will take into account information gathered during company visits, key earnings drivers and earnings revision trends for the company. Various tools will be used to facilitate the valuation process, including price over earnings ratio, the discounted cash flow model and enterprise value over earnings before interest, depreciation and taxation.

To avoid large portfolio losses, the Manager will reduce market exposure and performs quick swings in asset mix when there is a negative trend shifts in the areas of investor sentiment, market liquidity, and economic data.

When choosing individual equity, following are the more important considerations:

- Corporate governance;
- Historical and expected future dividend yield;

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- Industry and business medium to long-term outlook;
- Management track record/quality;
- Financial strength and gearing levels; and
- Expected future earnings growth.

In addition, the selection of the fixed income instruments will depend largely on its credit quality, certainty of principal repayment by the issuers and the overall total return stability. There will be no minimum rating applicable in selecting the individual fixed income instruments. However, following are the more important considerations:

- Issuer's and/or guarantor's industry and business medium to long-term outlook;
- Issuer's and/or guarantor's financial strength and gearing levels;
- Issuer's and/or guarantor's cash-flow quality and volatility;
- Issuer's and/or guarantor's expected future cash flow and ability to pay interest and principal;
- Issuer's and/or guarantor's ratings by a domestic or globally recognized rating agency;
- Interest rate sensitivity;
- Collateral type and value, and claims priority; and
- Price and yield-to-maturity.

The Manager may also invest in equity linked instruments such as rights and warrants, and collective investment schemes that has similar investment objective to the Fund's investment objective. The value of the Fund's investments in units/shares of any single collective investment scheme will not exceed 25% of the Fund's NAV.

The Fund will invest in money market instruments and fixed deposits while waiting for investment opportunities to arise in equities, equity-linked notes or fixed income instruments markets. The selection of the issuers will depend largely on the credit quality and liquidity of the issuer based on the Manager's internal credit rating model.

The countries where the Fund will seek to invest in are listed or traded on selected global markets, where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions ("IOSCO").

Derivative Investments

The Manager may employ derivatives, such as foreign exchanged forward contracts and cross currency swaps mainly 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 investments back to RM. 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 gains from the hedging strategy will be capped as well. The Fund may also employ derivatives for investment purposes to enhance the returns of the Fund by taking a view on the underlying asset or currency and establish a long position to gain a specific underlying exposure. The types of derivatives envisaged for hedging as well as for investment purposes include forwards and swaps which are over-the-counter (OTC) or traded on a centralized exchange.

Structured Product Investments

The Fund may also invest in structured products, such as equity-linked notes (ELN), and credit-linked notes (CLN). As these instruments are structured by a third party, investments into these instruments will result in the Fund being exposed to counterparty, on top of the structured product risks that it is exposed to through the investment. Similarly, the prices of these structures are generally linked to an underlying asset e.g. an ELN will be linked to an underlying equity / basket of equities. As such, the investments into the ELN will also expose the Fund to a similar risk as investing into a direct equity i.e. equity risks. Therefore, the exposure into structured products is not expected to be a significant, relative to the size of the Fund.

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Section 5.4 – Permitted Investments

- The information in relation to the “**Permitted Investments**” is hereby deleted in its entirety and replaced with the following:
- (a) Equities;
 - (b) Debt securities;
 - (c) Money market instruments;
 - (d) Fixed deposits;
 - (e) Derivatives;
 - (f) Structured products;
 - (g) Units/shares in collective investment schemes; and
 - (h) Any other form of investments as may be determined by the Manager from time to time that is in line with the Fund’s objectives.

Section 5.6 – Valuation of Assets

- The information in relation to the “**Derivatives**” is hereby deleted in its entirety and replaced with the following:

“Derivatives and Structured Product

The valuation of derivatives and structured products will be based on the rates provided by the respective issuers. For foreign exchange forward contracts (“FX Forwards”), the Manager will apply interpolation formula to compute the value of the FX Forwards based on the rates provided by the Bloomberg. If the rates are not available on the Bloomberg, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where the Manager is unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance to fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.”