

PRODUCT HIGHLIGHTS SHEET

for

Affin Hwang Flexible Maturity Income Fund 6

Date of issuance: 28 November 2016

RESPONSIBILITY STATEMENT

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

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of Affin Hwang Flexible Maturity Income Fund 6 ("the Fund") and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

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

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

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

PRODUCT HIGHLIGHTS SHEET

AFFIN HWANG FLEXIBLE MATURITY INCOME FUND 6

BRIEF INFORMATION ON THE PRODUCT

1. What is this product about?

The Affin Hwang Flexible Maturity Income Fund 6 is a close-ended fund, issued and managed in-house by the Manager.

The Fund aims to provide income through investments in fixed income instruments.

PRODUCT SUITABILITY

2. Who is this product suitable for?

This Fund is designed for retail investors who have three (3) years investment horizon and have a moderate risk tolerance.

KEY PRODUCT FEATURES

3. What am I investing in?

Launch Date	28 November 2016
Offer Price	MYR1.00
Offer Period	Forty five (45) days. The Initial Offer Period may be shortened if we determine that it is in the best interest of the Unit Holders. We also reserve the right not to proceed with the Fund if the Fund has not achieved a viable size of 30 million Units at the end of the Initial Offer Period.
Base Currency	MYR
Tenure	This Fund is a close-ended fund which will mature on the third (3 rd) anniversary of the Investment Date or such earlier date in accordance with the provisions of the Deed or subject to the Early Maturity feature.
Asset Allocation	<ul style="list-style-type: none"> ➤ A minimum of 70% to a maximum of 99.80% of the Fund's NAV will be invested in fixed income instruments*; and ➤ The remaining balance of the Fund's NAV will be placed in liquid assets, derivatives, and/or structured products. <p><i>*Fixed income instruments means bonds and other forms of securitised debt, money market instruments and fixed deposits.</i></p>
Performance Benchmark	3-years Malayan Banking Berhad fixed deposit rate as at Investment Date.
Investment Strategy	<p>To achieve its objective, the Manager intends to invest a minimum of 70% to a maximum of 99.80% of the Fund's NAV in fixed income instruments and a minimum of 0.20% of the Fund's NAV in liquid assets, derivatives, and/or structured products.</p> <p>The Fund may also invest up to 40% of its NAV in unrated bonds or bonds which are rated below investment grade by Standard & Poor's, Moody's, Fitch, RAM, MARC or any other rating agencies.</p>

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	The Fund may also employ derivatives primarily for hedging as well as for investment purpose. <i>Please refer to the section “Investment Strategy” in the Prospectus for further details.</i>
Early Maturity Feature	An event where the Fund is unwound on or after the first (1 st) anniversary of the Investment Date up to 30 days before the third (3 rd) anniversary of the Fund’s Investment Date, subject to the Fund achieving early maturity requirements (please refer to the section “Pertinent Information of the Fund” in the Prospectus for further details).
Distribution Policy	Depending on the level of income the Fund generates, the Fund will provide distribution on an annual basis.
Minimum Initial Investment*	MYR1,000
Minimum Additional Investment*	MYR100
Minimum Units Held*	1,000 Units

Note: Please refer to section “About the Fund” of the Fund’s Prospectus for further details of the Fund.

4. Who am I investing with?

Relevant parties’ information:

The Manager	Affin Hwang Asset Management Berhad
Manager’s Delegate (Fund Valuation & Accounting Function)	TMF Trustees Malaysia Berhad
The Trustee	TMF Trustees Malaysia Berhad
Trustee’s Delegate (Local & Foreign Custodian)	Standard Chartered Bank Malaysia Bhd
Tax Adviser	Deloitte Tax Services Sdn Bhd
Auditor	PricewaterhouseCoopers
Solicitor	Soon Gan Dion & Partners

5. What are the possible outcomes of my investment?

The Fund is a close-ended fund that will be invested in a portfolio of fixed income instruments to provide income distribution over a 3-year period from its Investment Date. At the Fund’s maturity, we will redeem or sell the assets of the Fund, and return all proceeds to you based on the number of Units you hold. This will also be subjected to all applicable expenses and fees.

The investments of the Fund are generally of lower risk characteristics and provide more stable returns as compared to equity investments. However, the Fund does not provide a guarantee on capital invested and its returns.

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

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KEY RISKS

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

General risks of the Fund

- **Fund Management Risk** – This risk refers to our day-to-day management of the Fund which will impact the performance of the Fund. For example, our investment decisions 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, fraudulent, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
- **Inflation Risk** – This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.
- **Loan Financing Risk** – This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed money includes you being unable to service the loan repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower net asset value per unit at the point of purchase towards settling the loan.
- **Operational risk** – This risk refers to the possibility of a breakdown in our internal controls and policies. The breakdown may be a result of human error, system failure or fraud where our employees collude with one another. This risk may cause monetary loss and/or inconvenience to you.

Note: Please refer to section “General Risks” of the Prospectus on further detail of each risk.

Specific Risks of the Fund

- **Interest Rate Risk** – Interest rate risk refers to the impact of interest rate changes on the valuation of fixed income securities and money market instruments (“debt instruments”). When interest rates rise, debt instruments prices generally decline and this may lower the market value of the Fund’s investment in debt instruments. The reverse may apply when interest rates fall.
- **Credit and Default Risk** – Credit risk relates to the creditworthiness of the issuers of the debt instruments and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a debt instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the debt instruments. This could adversely affect the value of the fund.
- **Derivatives Risk** – We may use derivatives for hedging as well as for investment purposes. Valuation of derivatives takes into account a multitude of factors such as price of the underlying assets, volatility of underlying assets, interest rate levels, the correlation between the underlying assets and the derivatives, the implied future direction of the underlying assets and other factors. Any adverse changes of the factors mentioned above, may result in a lower NAV price.
- **Structured Product Risk** – This risk arises from investments into instruments such as credit-linked notes (CLNs) structured by a third party. The instrument is linked to the performance of its underlying investments, hence exposing the Fund to the risk of the underlying investments, for example, investments into CLNs which are linked to the performance of reference entity(ies), will expose the Fund to credit risk of the reference entity(ies). As such, the prices of the structured product will be dependent on the prices of its underlying reference entity(ies), where a drop in the price of the underlying reference entity(ies) that the CLN is linked to will also result in a drop in the price of the CLN. As these structured products (such as CLNs) are structured by a third party, the Fund will also be exposed to counterparty risk and default risk arising from the third party’s inability to meet the agreed terms. The investment into structured product will expose the Fund to volatility in its Fund price, which will be dependent on the price movement of the structured product it invests in.
- **Reinvestment Risk** – This risk arises when an issuer of fixed income instruments decide to repay the principal earlier than the intended maturity date, especially during times of declining interest rates. As a result, the Fund may experience lower returns due to reinvesting in lower yielding fixed income instruments.

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- **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.
- **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.
- **Political Risk** – Changes in political environment can directly or indirectly impact investments of the Fund. For example, political instability that leads to social unrest could lead to disruption of economic activity which may impact the Fund's investments in that country. A change in government policies could also impact the Fund's investments.
- **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 reduce the attractiveness of investment in that particular country.
- **Mismatch Risk** – This risk arises upon the commencement of the Investment Date when there is a mismatch between the Maturity Date of the Fund and the maturity date of the investment which the Fund holds. A mismatch of maturity may potentially result in a loss to the Fund.
- **Repatriation Risk** – Apart from currency risk, investments in foreign countries are also subjected to repatriation risk, which relates to the Fund's ability to bring back to Malaysia the income, capital or proceeds of sales of the Fund's assets from the foreign countries. Limitations imposed by the foreign governments such as currency exchange control or transfer restrictions give rise to such risks.

Note: Please refer to section "Specific Risks" of the Prospectus on further detail of each risk.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect investments against all risks. You are recommended to read the whole Prospectus to assess the risks associated to the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

FEES & CHARGES

7. What are the fees and charges involved?

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

What will I be charged by the Manager?

Sales Charge	3.00% of the Initial Offer Price during the Initial Offer Period. <i>The Sales Charge is not negotiable.</i>
Penalty Charge	We will impose a Penalty Charge if repurchase of Units is made before the Maturity Date of the Fund. Depending on when the repurchase request is made, the following Penalty Charge shall be applicable: 3.00% of NAV per Unit from the Investment Date up to the first (1 st) anniversary of the Investment Date. 2.00% of NAV per Unit from the Business Day immediately following the first (1 st) anniversary up to the second (2 nd) anniversary of the Investment Date. 1.00% of NAV per Unit from the Business Day immediately following the second (2 nd) anniversary up to the Business Day immediately before the third (3 rd) anniversary of the Investment Date. <i>The Penalty Charge is not negotiable.</i>
Switching Fee	Not applicable as the switching facility is not available for this Fund.
Transfer Fee	MYR 5.00 will be charged for each transfer of ownership.

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What are the key ongoing fees charged to the Fund?

Annual Management Fee	Up to 0.20% per annum of the NAV of the Fund.
Annual Trustee Fee	Up to 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges).

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

ALL FEES AND CHARGES ARE EXCLUSIVE OF GOODS AND SERVICES TAX. WE (INCLUDING THE TRUSTEE AND/OR OTHER SERVICE PROVIDERS) WILL CHARGE GOODS AND SERVICES TAX AT THE RATE OF 6% ON THE ABOVEMENTIONED FEES, CHARGES AND EXPENSES IN ACCORDANCE WITH THE GOODS AND SERVICES TAX ACT 2014.

VALUATIONS AND EXITING FROM INVESTMENT

8. How often are valuations available?

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

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

It is important to note that we will impose a Penalty Charge if repurchase of Units is made before the Maturity Date of the Fund. You may request to redeem your investments in the Fund at any point in time by completing the repurchase application and returning it to us on any Business Day from 8.45 a.m. to 3.30 p.m. Payments will be made to you within ten (10) days from the day the repurchase request is received by us and provided that all documentations are completed and verifiable.

CONTACT INFORMATION

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

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

Complaints should be made in writing with the following information:

- particulars of the complainant which include name, correspondence address, contact number, e-mail address (if any) and other relevant information;
 - circumstances of the non-compliance or improper conduct;
 - parties alleged to be involved in the improper conduct; and
 - other supporting documentary evidence (if any).
- If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the following regulatory bodies, details of which are as follows:

Federation of Investment Managers Malaysia (FiMM):

- via email to : complaints@fimm.com.my
- via online complaint form : www.fimm.com.my
- via letter to : Complaints Bureau
Legal, Secretarial & Regulatory Affairs

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Federation of Investment Managers Malaysia
 19-06-1, 6th Floor, Wisma Tune,
 No. 19, Lorong Dungun Damansara Heights,
 50490 Kuala Lumpur;

OR

Securities Industries Dispute Resolution Centre (SIDREC):

- (a) via phone to : 03-2282 2280
 (b) via fax to : 03-2282-3855
 (c) via email to : info@sidrec.com.my
 (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)
 Unit A-9-1
 Level 9, Tower A
 Menara UOA Bangsar
 No. 5, Jalan Bangsar Utama 1
 59000 Kuala Lumpur

3. You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:

- (a) via phone to the Aduan Hotline at : 03 – 6204 8999
 (b) via fax to : 03 – 6204 8991
 (c) via e-mail to : aduan@seccom.com.my
 (d) via online complaint form available at www.sc.com.my
 (e) via letter to : Investor Affairs & Complaints Department
 Securities Commission Malaysia
 No 3 Persiaran Bukit Kiara
 Bukit Kiara
 50490 Kuala Lumpur

APPENDIX : GLOSSARY

Base Currency	Means the currency in which the Fund is denominated i.e. Ringgit Malaysia (MYR).
Bursa Malaysia	Means the stock exchange managed and operated by Bursa Malaysia Securities Berhad and includes any changes to the name or the operator of the Malaysian stock exchange.
Business Day	Means a day on which the Bursa Malaysia is open for trading and this information can be obtained from the Bursa Malaysia's website at www.bursamalaysia.com.
Commencement Date	Means the date of the Prospectus and is the date on which sales of Units of the Fund is first made. The Commencement Date is also the date of constitution of the Fund.
Deed	Refers to the deed dated 23 rd June 2016 entered into between the Manager and the Trustee and including any amendments and variations thereto.
Early Maturity	An event where the Fund is unwound on or after the first (1 st) anniversary of the Investment Date up to 30 days before the 3 rd anniversary of the Fund's Investment Date, subject to the Fund achieving early maturity requirements (please refer to section "Pertinent Information of the Fund" of the Fund's Prospectus for further details).
Early Maturity Communique	Refers to the Communique issued to Unit Holders, notifying that the Early Maturity is exercised and that the Fund will be unwound on the Early Maturity Date.
Early Maturity Date	Refers to the 10 th Business Day immediately following the date which the Manager issues the Early Maturity Communique to Unit Holders, notifying that the Fund has met the Early Maturity requirements and the Fund will be unwound on the Early Maturity Date. In the event the Manager deems to be

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	unable to liquidate all the asset on the 10 th Business Day, the Manager will issue a Communique to Unit Holders to extend the Early Maturity Date by up to the 20 th Business Day from the date the Early Maturity Communique is issued. The Early Maturity Date may fall on a date, earliest on the 1 st anniversary of the Investment Date up to the date, 30 days before the 3 rd anniversary of the Investment Date.
Fitch	Refers to Fitch Ratings Inc.
the Fund	Refers to Affin Hwang Flexible Maturity Income Fund 6.
Initial Offer Period	Means a period of not more than forty five (45) days from the Commencement Date of the Fund, whereby the Units of the Fund are open for sale at its Initial Offer Price.
Initial Offer Price	Means the fixed price for each Unit during the Initial Offer Period.
Investment Date	Means the date on which the investments of the Fund may first be made and it is the date which begins on the next Business Day immediately after the expiry of the Initial Offer Period. A reference to the Fund's anniversary shall be a reference from this Investment Date.
investment grade	Means bonds that are judged by the rating agencies such as Moody's, Standard & Poor's, Fitch, RAM and MARC, as likely enough to meet payment obligations.
Manager / AHAM	Means Affin Hwang Asset Management Berhad.
MARC	Refers to Malaysian Rating Corporation Berhad.
Maturity Date	Means the date on which the Fund automatically terminates and is the date, which is the third (3 rd) anniversary of the Investment Date; if the date is not a Business Day, the "Maturity Date" shall be the first Business Day following the date that is the third (3 rd) anniversary of the Investment Date. If the Fund is earlier terminated in accordance with the provisions of the Deed and due to the Early Maturity feature, the "Maturity Date" shall mean the date of such earlier termination.
Moody's	Refers to Moody's Investors Service.
MYR	Means Ringgit Malaysia, the lawful currency of Malaysia.
Net Asset Value or NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at the valuation point; solely; for the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is inclusive of the management fee and trustee fee for the relevant day.
NAV per Unit	Means the Net Asset Value of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point.
Penalty Charge	Means a charge imposed pursuant to a repurchase request.
Prospectus	Refers to the prospectus in respect of the Fund and includes any supplementary or replacement prospectus, as the case may be.
RAM	Refer to RAM Rating Services Berhad.
SC	Means Securities Commission Malaysia established under the Securities Commission Act 1993.
Standard & Poor's	Refers to Standard & Poor's Financial Services LLC.
the Trustee	Refers to TMF Trustees Malaysia Berhad.
Unit(s)	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund.
Units in Circulation	Means Units created and fully paid for and which have not been cancelled.

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Unit Holder(s) / you	Means the person for the time being who is registered pursuant to the Deed as a holder of Units, including a jointholder.
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