

PRODUCT HIGHLIGHTS SHEET

for

AHAM Enhanced Deposit Fund

Date of issuance: 22 July 2024

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorized committee and/or persons approved by the Board of AHAM Asset Management Berhad 199701014290 (429786-T) and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions of other facts which would make any statement in the Product Highlights Sheet false or misleading.

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of the AHAM Enhanced Deposit Fund (“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 AHAM Asset Management Berhad responsible for the Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.



YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.

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

PRODUCT HIGHLIGHTS SHEET

AHAM ENHANCED DEPOSIT FUND

BRIEF INFORMATION ON THE PRODUCT

1. What is this product about?

AHAM Enhanced Deposit Fund is an open-ended money market fund, issued and managed in-house by the Manager.

The Fund aims to provide investors with a regular income stream and high level of liquidity to meet cash flow requirement while maintaining capital preservation.

PRODUCT SUITABILITY

2. Who is this product suitable for?

This Fund is designed for retail investors and is primarily suitable for low risk Investors who are generally conservative, risk averse and prefer a short-term investment horizon.

KEY PRODUCT

3. What am I investing in?

| | | |
|----------------------------|--|----------------------------|
| Launch Date | 18 April 2005 | |
| Tenure | The Fund is an open-ended fund which means there is no maturity date for the Fund and the Fund may only be terminated in accordance with the terms of the Prospectus and the provisions of the Deed. | |
| Base Currency | MYR | |
| Asset Allocation | The Fund asset allocation range is as follows:- | |
| | Asset Class | % of the Fund's NAV |
| | Debentures, money market instruments and deposits with a remaining maturity period of not more than 397 days | 90% to 100% |
| | Debentures, money market instruments and deposits with a remaining maturity period of more than 397 days but fewer than 732 days | 0 to 10% |
| Benchmark | Maybank Overnight Repo Rate | |
| Investment Strategy | <p>The Fund will invest in a diversified portfolio of debentures, money market instruments and deposits with Financial Institutions.</p> <p>We will combine a top-down and bottom-up investment approach to identify investment opportunities. Macroeconomic trends and market analysis are the important considerations in deriving the top-down perspective on interest rate outlook, credit market and currency movement. For its bottom-up approach, we would conduct analysis on the issuers to assess its ability to service its debt obligations.</p> <p>The Fund will only look to invest in debentures and money market instruments that meet a minimum investment grade rating of P1 by RAM or MARC -1 by MARC. The selection of individual debentures and money market instruments will depend largely on its credit quality where the respective issuers will have strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal. In the event the rating or a particular security or an issuer is downgraded resulting in non-compliance, we shall, within 6 months, take steps to replace such security or issuer.</p> <p>We may reduce the Fund's exposure into any investments that we believe may be impacted from the prevailing market conditions. However, focus will remain on constructing a portfolio of liquid investments that are able to provide relative certainty of meeting its financial obligations.</p> | |

| | |
|---------------------------------------|---|
| Distribution Policy | The Fund endeavours to distribute income on a monthly basis. At our discretion, the Fund may distribute (1) realised income, (2) realised capital gains, (3) unrealised income, (4) unrealised capital gains, (5) capital, or (6) a combination of any of the above. |
| Minimum Initial Investment* | MYR 1,000 |
| Minimum Additional Investment* | MYR 100 |
| Minimum Repurchase Amount* | 100 Units |
| Minimum Holding of Units* | 1,000 Units |

Note: Please refer to the Prospectus for further details of the Fund.

4. Who am I investing with?

Relevant parties' information:

| | |
|--------------------|--------------------------------|
| The Manager | AHAM Asset Management Berhad |
| The Trustee | HSBC (Malaysia) Trustee Berhad |

5. What are the possible outcomes of my investment?

The Fund is a money market fund that invests in a diversified portfolio of debentures, money market instruments and deposits with Financial Institutions.

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

KEY RISKS

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

General risks

- **Market risk** – Market risk arises due to fluctuations in market values of investments. Such fluctuations occur because of factors that affect the entire market. Factors such as economic growth, political stability and social environment are some examples of conditions that have an impact on businesses, whether positive or negative. Market risk cannot be eliminated but may be reduced through diversification. It stems from the fact that there are economy-wide perils or instances of political or social instability which threaten all businesses. Hence, the Fund will be exposed to market uncertainties and no matter how many securities are held, fluctuations in the economy, political instability and social unrest will affect the market price of the Fund's investments either in a positive or negative way.
- **Manager's risk** – The performance of the Fund depends in part on the experience and expertise of the investment managers and this is of particular importance when the Fund has a narrower investment scope e.g. investments in certain countries or sectors only. The lack of experience and expertise in those countries or sectors may jeopardize the performance of the Fund.
- **Performance risk** – The performance of the Fund depends on the financial instruments that the Fund purchases. If the instruments do not perform within expectation or if there is a default, then, the performance of the Fund will be impacted negatively. The performance of the Fund may also be impacted if the allocation of assets is not properly done. This is where the experience and expertise of the investment managers are important and the risk on the lack of experience and expertise of the investment managers is highlighted above. On that basis, there is never a guarantee that investing in the Fund will produce the desired investment returns or on the distribution of income.
- **Inflation risk** – This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.
- **Liquidity risk** – Liquidity risk refers to two scenarios. The first is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold at below its fair value which would adversely affect the NAV of the Fund and subsequently the value of Unit Holders' investments in the Fund.
- **Loan / financing risk** – This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed or financed money includes you being unable to service the loan or financing repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower Net Asset Value per Unit as compared to the Net Asset Value per Unit at the point of purchase towards settling the loan or financing.

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

- **Risk of non-compliance** – This is the risk that the Manager of the Fund may not follow the rules set out in the Fund's constitution, or the law that governs the Fund, or will act fraudulently or dishonestly. The non-compliance may expose the Fund to losses particularly caused by the fraudulent or dishonest acts or omissions of the Manager.
- **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. We will regularly review our internal policies and system capability to mitigate this risk. Additionally, we maintain a strict segregation of duties to mitigate instances of fraudulent practices amongst our employees.
- **Political risk** – The Fund is exposed to the local political situation or environment at all times. Any change or instability in this regard may more likely than not result in less than favourable implications on the Fund. For example, a change in political leadership or political stance which subsequently translates into changes or reforms in government economic or legislative policies, some of which may affect investors directly or indirectly, especially when there is a change from a business-friendly government and policy model to one which is less business friendly. This may result in situations such as increased transaction costs, taxes, administrative requirements and restrictions in investments or holding periods.
- **Regulatory risk** – So long as the Fund continues to invest in a particular country, the Fund will be exposed to changes in the regulatory regime of that country. Perhaps a regulatory regime that changes constantly is in respect of tax treatment of investment income. Investors should not presume that the tax treatment of a particular investment will be the same in perpetuity. A change in the tax treatment of a particular investment would mean lower returns for the Fund and vice versa.
- **Suspension of repurchase request risk** – Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the Fund's assets cannot be determined. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time. Hence, their investments will continue to be subject to the risks inherent to the Fund.

Specific risks

- **Credit and default risk** – Credit risk relates to the creditworthiness of the issuers of the debentures or money market instruments and the Financial Institutions where the deposits are placed (hereinafter referred to as "investment") and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer and/or the Financial Institution may impact the value as well as liquidity of the investment. In the case of rated investment, this may lead to a credit downgrade. Default risk relates to the risk of an issuer and/or a Financial Institution of the investment either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investment.
- **Interest rate risk** – This risk refers to the impact of interest rate changes on the valuation of debentures or money market instruments (hereinafter referred to as "investment"). Generally, movement in interest rates affects the prices of investment inversely. For example, when interest rates rise, prices of investment will fall. The fluctuations of the prices of investment will also have an impact on the NAV of the Fund. This risk can largely be eliminated by holding the investment until their maturity. We also manage interest rate risk by considering each investment's sensitivity to interest rate changes. When interest rates are expected to increase, the Fund would then likely seek to switch to investment that are less sensitive to interest rate changes. For investments in deposits, the fluctuations in the interest rates will not affect the placement of deposits but will result in the opportunity loss by the Fund if the placement of deposits is made at lower interest rate.
- **Risks associated with amortised cost accounting** – Amortised cost valuation provides a good estimate of the fair value for short-term money market instruments which are held to maturity, assuming that they will mature at par. However, a sudden change of interest rate or credit risk may cause material deviations between the fair value and the price calculated using the amortisation cost method. As such, monitoring the difference between the amortised cost of a money market instrument and its fair value is undertaken on an ongoing basis, and appropriate actions (including undertaking impairment exercise for the affected money market instruments) are taken promptly where such difference exceeds threshold of 10%. Should the difference exceed 10%, the Manager will adopt the fair valuation of the affected money market instruments.
- **Distribution out of capital risk** – The Fund may distribute income out of capital. Such capital distributions represent a return or withdrawal of part of the amount of your original investment and/or capital gains attributable to the original investment and will result in a reduction in the NAV per Unit of the Fund and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained.

Note: Please refer to the Fund's 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 possible to protect investments against all risks. You are recommended to read the whole Prospectus to assess the risks associated with the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

PERFORMANCE

Average Total Return

| | 1 Year (1/5/23 – 30/4/24) | 3 Year (1/5/21 – 30/4/24) | 5 Year (1/5/19 – 30/4/24) | 10 Years (1/5/14 – 30/4/24) | Since Commencement (14/6/05 – 30/4/24) |
|------------------|------------------------------|------------------------------|------------------------------|--------------------------------|--|
| Fund | 3.71% | 2.79% | 2.75% | 3.18% | 3.19% |
| Benchmark | 1.30% | 0.81% | 0.84% | 1.36% | 1.77% |

Source of Benchmark: Maybank

Annual Total Return

| Financial Year End ("FYE") | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Fund | 3.71% | 2.91% | 1.76% | 2.05% | 3.35% | 3.73% | 3.52% | 3.74% | 3.68% | 3.44% |
| Benchmark | 1.30% | 0.88% | 0.25% | 0.31% | 1.48% | 1.90% | 1.79% | 1.80% | 2.01% | 1.96% |

Source of Benchmark: Maybank

For the period 1 May 2023 to 30 April 2024, the Fund has registered a return of 3.71% as compared to the benchmark return of 1.30%. Since commencement, the Fund has registered a return of 80.83% compared to the benchmark return of 39.41%, outperforming by 41.42%.

Basic of calculation and assumption made in calculating the returns

The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distribution payable (if any) during the stipulated period.

Capital return = NAV per Unit end / NAV per Unit begin – 1

Income return = Income distribution per Unit / NAV per Unit ex-date

Total return = (1+Capital return) x (1+Income return) – 1

Income Distribution

| Financial Year End | 30 April 2024 | 30 April 2023 | 30 April 2022 |
|-----------------------------------|---------------|---------------|---------------|
| Gross distribution per Unit (sen) | 1.92 | 1.92 | 1.94 |
| Net distribution per Unit (sen) | 1.92 | 1.92 | 1.94 |

Distribution will be made in the form of cash as well as Units in lieu of cash, if any.

Portfolio Turnover Ratio (PTR)

| Financial Year End | 30 April 2024 | 30 April 2023 | 30 April 2022 |
|--------------------|---------------|---------------|---------------|
| PTR (times) | 16.27 | 26.07 | 53.01 |

The Fund recorded a lower PTR than previous year due to an increase in the average NAV of the Fund over the financial year under review.

PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE

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?

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|--------------------------|--|
| Sales charge | There will be no Sales Charge for this Fund. |
| Repurchase charge | There will be no Repurchase Charge for this Fund. |
| Transfer fee | There will be no transfer fee imposed on the transfer facility. |
| Switching fee | The Manager does not impose any switching fee. However, if the amount of sales charge of the fund (or class) that the Unit Holder intends to switch into is higher than the sales charge imposed by the fund (or class) being switched from, then the difference in the sales charge between the two (2) funds (or classes) shall be borne by the Unit Holder. |

| | |
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| | For Investors who invest through the EMIS, you are not allowed to switch into any of our funds which are non-EMIS. |
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What are the key ongoing fees charged to the Fund?

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|-----------------------|---|
| Management fee | Up to 0.50% per annum of the NAV of the Fund (before deducting the management fee and trustee fee). |
| Trustee fee | Up to 0.05% per annum of the NAV of the Fund (including local custodian fee but excluding foreign sub-custodian fee, if any) (before deducting the management fee and trustee fee). |

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

ALL FEES AND CHARGES PAYABLE BY YOU ARE SUBJECT TO ALL APPLICABLE TAXES AND / OR DUTIES AS MAY BE IMPOSED BY THE GOVERNMENT AND / OR THE RELEVANT AUTHORITIES FROM TIME TO TIME.

VALUATIONS AND EXITING FROM INVESTMENT

8. How often are valuations available?

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

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

You may request to redeem your investments in the Fund at any point in time by completing the repurchase application form and returning it to us on any Business Day between 8.45 a.m. to 2.30 p.m. Payments will be made to you within seven (7) Business Days from the day the repurchase request is received by us and provided that all documentations are completed and verifiable.

If you invest through the EMIS, we will remit the repurchase proceeds to EPF for onward crediting to your EPF account. If you are above the age of fifty five (55) and invest through the EMIS, we will remit the repurchase proceeds to you directly.

CONTACT INFORMATION

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

1. For internal dispute resolution, you may contact our customer service personnel:
 - (a) via phone to : 03 – 2116 6000
 - (b) via fax to : 03 – 2116 6100
 - (c) via toll free no. : 1-800-88-7080
 - (d) via email to : customercare@aham.com.my
 - (e) via letter : AHAM Asset Management Berhad
Ground Floor, Menara Boustead,
69, Jalan Raja Chulan,
50200 Kuala Lumpur

Complaints should be made in writing with the following information:

- (a) particulars of the complainant which include name, correspondence address, contact number, e-mail address (if any) and other relevant information;
- (b) circumstances of the non-compliance or improper conduct;
- (c) parties alleged to be involved in the improper conduct; and
- (d) other supporting documentary evidence (if any).

2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Center (SIDREC):
 - (a) via phone to : 03 - 2282 2280
 - (b) via fax to : 03 - 2282 3855
 - (c) via email to : info@sidrec.com.my
 - (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1 Level 9, Tower A, Menara UOA Bangsar,
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

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

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

4. Federal of Investment Managers Malaysia (FIMM)'s Complaints Bureau:

- (a) via phone to : 03 – 2092 3800
- (b) via fax to : 03 – 2093 2700
- (c) via e-mail to : complaints@fimm.com.my
- (d) via online complaint form available at : www.fimm.com.my
- (e) via letter to : Legal, Secretarial & Regulatory Affairs
Federal of Investment Managers Malaysia
19-06-1, 6th Floor Wisma Tune, No. 19, Lorong Dungun
Damansara Heights, 50490 Kuala Lumpur

APPENDIX : GLOSSARY

| | |
|---|---|
| Board | Means the Board of Directors of the Manager. |
| Bursa Malaysia | Means the stock exchange managed and operated by Bursa Malaysia Securities Berhad including such other name as it may be amended from time to time. |
| Business Day | Means a day on which Bursa Malaysia is open for trading. |
| Debenture | It includes debenture stock, bonds, notes and any other evidence of indebtedness of a corporation for borrowed moneys, whether or not constituting a charge on the assets of the corporation. |
| Deed | Deed dated 4 April 2005 as amended by First Supplemental Deed dated 29 December 2005, Second Supplemental Deed dated 20 February 2006, Third Supplemental Deed dated 18 June 2007, Fourth Supplemental Deed dated 15 October 2008, Fifth Supplemental Deed dated 12 March 2009, Sixth Supplemental Deed dated 19 March 2010, Seventh Supplemental Deed dated 18 January 2012, Eighth Supplemental Deed dated 27 June 2014, Ninth Supplemental Deed dated 19 December 2016, Tenth Supplemental Deed dated 25 January 2022, Eleventh Supplemental Deed dated 6 October 2022 and Twelfth Supplemental Deed dated 21 June 2023 entered into between the Manager and the Trustee including any supplemental and variation thereto. |
| Deposit(s) | Has the same meaning as the definition of "deposit" in the Financial Services Act 2013. For the avoidance of doubt, it shall exclude structured deposit. |
| EMIS | EPF Members' Investment Scheme. |
| EPF | Employees Provident Fund. |
| Financial Institution | Means (a) if the institution is in Malaysia: (i) a licensed bank; (ii) a licensed investment bank; (iii) a licensed Islamic bank; or (b) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services. |
| Fund | Refers to AHAM Enhanced Deposit Fund. |
| Manager / AHAM / we / us / our | Refers to AHAM Asset Management Berhad. |
| MARC | Refers to Malaysian Rating Corporation Berhad. |
| Net Asset Value or NAV | Means the value of the Fund which is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point. |
| NAV per Unit | Means the NAV of the Fund at a particular valuation point divided by the total number of Units in Circulation at that valuation point. |
| Prospectus | Means the prospectus for the Fund and includes any supplemental or replacement prospectus, as the case may be. |
| RAM | Means RAM Rating Services Berhad. |
| Repurchase Charge | Means a charge imposed pursuant to a repurchase request. |
| Sales Charge | Means a charge imposed pursuant to a purchase request. |
| SC | Securities Commission Malaysia. |
| short-term | Means a period of less than 3 years. |
| Trustee | Refers to HSBC (Malaysia) Trustee Berhad. |
| Unit or Units | Means a measurement of the right or interest of a Unit Holder in the Fund including a fraction of a Unit. |
| Units in Circulation | Means Units created and fully paid and which has not been cancelled. It is the total number of Units issued at a particular valuation point. |
| Unit Holder(s), investor(s), you | Means the person registered as a holder of Units, including persons jointly registered. |