



AFFIN HWANG  
CAPITAL

Outthink. Outperform.

Asset Management

## PRODUCT HIGHLIGHTS SHEET

for

### Affin Hwang Select Asia Pacific (ex Japan) Dividend Fund

Date of issuance: 24 February 2020

#### 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 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, 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 Affin Hwang Select Asia Pacific (ex Japan) Dividend 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 of 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.



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

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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 Select Asia Pacific (ex Japan) Dividend Fund

##### BRIEF INFORMATION ON THE PRODUCT

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

Affin Hwang Select Asia Pacific (ex Japan) Dividend Fund is an open-ended growth and income fund, issued and managed in-house by the Manager.

The Fund's investment objective is to endeavour to provide investors with regular income and capital growth over the medium to long-term period.

##### PRODUCT SUITABILITY

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

The Fund is designed for retail investors who seek medium to long-term capital growth, regular income distributions and have moderate risk tolerance.

##### KEY PRODUCT FEATURES

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

Classes	RM Class	SGD Hedged -class	EUR Class	USD Class	AUD Class	RMB Class	SGD Class	GBP Class
<b>Launch date</b>	8 December 2014				24 December 2018			
<b>Tenure</b>	This Fund is an open-ended fund where it does not have a fixed maturity date and may only be terminated in accordance with the terms of the Prospectus and the provisions of the Deed.							
<b>Base currency</b>	RM							
<b>Benchmark</b>	MSCI AC Asia Pacific ex Japan High Dividend Yield Index <i>The risk profile of the Fund is not the same as the risk profile of the performance benchmark.</i>							
<b>Investment strategy</b>	<p>To achieve its objective, the Fund will be investing a minimum of 70% of its NAV in equities, while the remaining balance may be invested in fixed income instruments. The Fund will invest primarily in Asia Pacific (ex Japan) companies. The Fund may also invest a smaller portion of its NAV in non-Asia Pacific (ex Japan) companies.</p> <p>The Fund focuses on higher dividend-paying stocks and stocks with dividend-paying prospects. We adopt a bottom-up strategy where individual stock analysis forms the primary building blocks for portfolio construction.</p> <p>The Fund holds the option to invest in fixed income instruments such as debentures, money market instruments and deposits. In the selection of fixed income instruments, the Fund emphasizes on issuers with high credit worthiness.</p> <p>To achieve its objective, the Fund may invest in warrants as well as collective investment schemes that have similar investment objectives to the Fund.</p> <p><b>Temporary Defensive Position</b></p> <p>We hold the option to take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation to protect the Fund against adverse market conditions that may impact financial markets. To manage the risk of the Fund, we may shift the Fund's focus and exposure to lower risk investments such as deposits or money market instruments.</p>							

## Asset Management

Classes	RM class	SGD Hedged-class	EUR class	USD class	AUD class	RMB class	SGD class	GBP class						
	<b>Derivative Investments for Hedging Purposes Only</b>													
	The Fund may employ derivative investments for hedging purposes only by participating in instruments such as forward contracts and cross currency swaps.													
	Foreign exchange contracts enable the Fund to trade currency at a specific exchange rate, specific time and specific amount as indicated in the contract. Cross currency swaps allow the Fund to convert foreign exchange rates and/or interest rate exposures between two currencies.													
	These derivatives may 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.													
<b>Asset allocation</b>	The Fund's asset allocation range are as follows:-													
	<table border="1"> <thead> <tr> <th>Asset Class</th><th>% NAV of the Fund</th></tr> </thead> <tbody> <tr> <td>Equities</td><td>70% to 100%</td></tr> <tr> <td>Fixed income instruments</td><td>0% to 30%</td></tr> </tbody> </table>								Asset Class	% NAV of the Fund	Equities	70% to 100%	Fixed income instruments	0% to 30%
Asset Class	% NAV of the Fund													
Equities	70% to 100%													
Fixed income instruments	0% to 30%													
<b>Distribution policy</b>	The Fund will distribute income on a semi-annual basis (subject to income availability), after the end of its first financial year.													
<b>Minimum initial investment*</b>	RM 1,000	SGD 5,000	EUR 5,000	USD 5,000	AUD 5,000	RMB 5,000	SGD 5,000	GBP 5,000						
<b>Minimum additional investment*</b>	RM 100	SGD 1,000	EUR 1,000	USD 1,000	AUD 1,000	RMB 1,000	SGD 1,000	GBP 1,000						
<b>Minimum units held*</b>	2,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units						
<b>Minimum repurchase amount*</b>	2,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units	10,000 Units						

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

### 4. Who am I investing with?

Relevant parties' information:

<b>The Manager</b>	Affin Hwang Asset Management Berhad
<b>The Trustee</b>	Deutsche Trustees Malaysia Berhad
<b>The Trustee's Delegate (Custody Services)</b>	Deutsche Bank (Malaysia) Berhad

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

## Asset Management

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

This is an equity fund that invests in domestic and foreign equities. The Fund's exposure into foreign equities will be focused within the Asia Pacific (ex Japan) companies. The performance of the Fund would be dependent on the Asia Pacific (ex Japan) equity markets that are investable by the Fund. The Fund's performance is also reliant on the Manager's expertise in managing the Fund to meet its objective.

The Fund's investment into equities and equity-linked instruments would to a great extent, to be linked to the price movements of the global equity markets, and the underlying assets of the collective investment schemes. If the equities that are investable by the Fund performs well, the Fund's performance may reflect the same. However, should the local and foreign equities that are investable by the Fund perform poorly, the Fund's performance may also be impacted negatively.

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

The Fund is expected to distribute income on a semi-annual basis, subject to income availability. Due to investments in equities, the Manager expects the Fund to yield incidental growth in capital.

## KEY RISKS

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

#### General risks

- **Fund management risk** – This risk refers to the day-to-day management of the Fund which will impact 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.
- **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 investments, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the Fund. Upon such event and in the best interest of the Unit Holders, the Trustee may suspend the repurchase of Units requests.
- **Loan financing risk** – This risk occurs when you take a loan/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 NAV per Unit as compared to the NAV 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 employees collude with one another. This risk may cause monetary loss and/or inconvenience to you.

#### Specific risks

- **Stock specific risk** – Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movement of such stock will adversely affect the Fund's NAV.
- **Warrants investment risk** – The value of the warrants will depend on the pricing of the underlying security whereby the growth and performance prospect of the underlying security would consequentially affect the value of the warrants. In addition, the value of the warrants may decrease exponentially as the warrants approach its maturity date and the potential gains from a favourable price movement of the underlying may be offset by aggressive time decay.
- **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.

## Asset Management

### Currency risk at the Fund level

The impact of the exchange rate movement between the Base Currency of the Fund and the currency of the underlying investments may result in a depreciation of the value of the investments as expressed in the Base Currency of the Fund.

### Currency risk at the Class level

The impact of the exchange rate movement between the Base Currency of the Fund and the currency of the Class (other than RM Class) may result in a depreciation of your holdings as expressed in the Base Currency of the Fund.

- **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.

**Note: Please refer to the Prospectus for further details on the general and specific risks.**

**It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not possible to protect investments against all risks. You are recommended to read the whole 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 (RM Class)

	1 Year (1/9/18 - 31/8/19)	3 Years (1/9/16 - 31/8/19)	Since Commencement (29/12/14 - 31/8/19)
<b>Fund</b>	-1.40%	6.83%	7.03%
<b>Benchmark</b>	-6.49%	1.23%	0.81%

Source: Bloomberg/Lipper

### Average Total Return (other classes)

Since Commencement (25/12/18 - 31/8/19)	AUD Class	EUR Class	USD Class	RMB Class	GBP Class	SGD Class
<b>Fund</b>	22.61%	19.16%	13.32%	18.52%	19.97%	15.33%
<b>Benchmark</b>	6.95%	5.60%	-0.10%	5.50%	6.63%	1.48%

Source: Bloomberg/Lipper

### Annual Total Return (RM class)

Financial Year End	2019	2018	2017	2016	2015
<b>Fund</b>	-1.40%	3.63%	19.33%	8.45%	3.90%
<b>Benchmark</b>	-6.49%	-6.95%	19.23%	2.33%	-2.21%

Source: Bloomberg/Lipper

### Annual Total Return (other classes)

Since Commencement (25/12/18 - 31/8/19)	AUD Class	EUR Class	USD Class	RMB Class	GBP Class	SGD Class
<b>Fund</b>	14.98%	12.76%	8.94%	12.34%	13.28%	10.26%
<b>Benchmark</b>	4.67%	3.77%	-0.07%	3.70%	4.46%	1.00%

Source: Bloomberg/Lipper

*Effective 8 December 2015, the Fund's benchmark was changed from Dow Jones Asia / Pacific Select Dividend 30 Index to MSCI AC Asia Pacific ex Japan High Dividend Yield Index which is reflective of the investment strategy of the Fund.*

### RM Class

For the period under review i.e. 1 September 2018 to 31 August 2019, the Fund's RM Class registered a return of -1.40% compared to the benchmark return of 6.95%. Since commencement, the Fund's RM Class registered a total return of 37.39%, outperforming the benchmark total return of 3.82%.

## Asset Management

### RM Class

For the period under review i.e. 1 September 2018 to 31 August 2019, the Fund's RM Class registered a return of -1.40% compared to the benchmark return of 6.95%. Since commencement, the Fund's RM Class registered a total return of 37.39%, outperforming the benchmark total return of 3.82%.

### AUD Class

Since commencement, the Fund's AUD Class registered a total return of 14.98%, outperforming the benchmark total return of 4.67%.

### EUR Class

Since commencement, the Fund's EUR Class registered a total return of 12.76%, outperforming the benchmark total return of 3.77%.

### USD Class

Since commencement, the Fund's USD Class registered a total return of 8.94%, outperforming the benchmark total return of -0.07%.

### RMB Class

Since commencement, the Fund's RMB Class registered a total return of 12.34%, outperforming the benchmark total return of 3.70%.

### GBP Class

Since commencement, the Fund's GBP Class registered a total return of 13.28%, outperforming the benchmark total return of 4.46%.

### SGD Class

Since commencement, the Fund's SGD Class registered a total return of 10.26%, outperforming the benchmark total return of 1.00%.

### 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.

An illustration of the above would be as follow:-

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	2019	2018	2017
<b>Gross distribution per Unit (sen)</b>	2.50	3.00	3.00
<b>Net distribution per Unit (sen)</b>	2.50	3.00	3.00

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	2019	2018	2017
<b>PTR (times)</b>	2.01	2.44	1.70

The Fund's PTR was lower than previous year due to higher average sum of total acquisition and disposal for the financial year.

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

## Asset Management

### 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?

<b>Sales charge</b>	Up to 5.50% of the NAV per Unit of the Fund  <i>Investors may negotiate for a lower charge.</i>  The Sales Charge for investors purchasing Units through the EMIS shall be limited to a maximum charge of 3% of the NAV per Unit or as determined by the EPF.
<b>Repurchase charge</b>	There will be no Repurchase Charge levied on any repurchase of Units of the Fund.
<b>Switching fee</b>	There will be no switching fee levied on any switching transactions.
<b>Transfer fee</b>	There will be no transfer fee imposed on the transfer facility.

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

<b>Management fee</b>	Up to 1.85% per annum of the NAV of the Fund.
<b>Trustee fee</b>	Up to 0.06% 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 on the Fund's fees, charges and expenses.

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

### VALUATIONS AND EXITING FROM 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.affinhwangam.com](http://www.affinhwangam.com), our customer service via our toll free number 1-800-88-7080 or email to [customercare@affinhwangam.com](mailto:customercare@affinhwangam.com).

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

You may request to redeem your investments in the Fund at any point in time by completing the repurchase application form and returning it to us on any Business Day between 8.45 a.m. and 3.30 p.m. Payments will be made to you within 10 days (for RM Class) and within 14 days (for Classes other than RM Class) 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:

- (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@affinhwangam.com](mailto:customercare@affinhwangam.com)
- (e) 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:

- (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;

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- (c) parties alleged to be involved in the improper conduct; and
  - (d) other supporting documentary evidence (if any).
2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Centre (SIDREC):
- |   |
|---|
| (a) via phone to : 03-2282 2280   |
| (b) via fax to : 03-2282-3855   |
| (c) via email to : info@sidrec.com.my   |
| (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)<br>Unit A-9-1 Level 9, Tower A, Menara UOA Bangsar, No. 5, Jalan Bangsar Utama 1 59000<br>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 <a href="http://www.sc.com.my">www.sc.com.my</a>  |
| (e) via letter to : Investor Affairs & Complaints Department<br>Securities Commission Malaysia, No 3 Persiaran Bukit Kiara,<br>Bukit Kiara, 50490 Kuala Lumpur |
4. Federal of Investment Managers Malaysia (FIMM)'s Complaints Bureau:
- |   |
|---|
| (a) via phone to : 03 – 20923800  |
| (b) via fax to : 03 – 20932700  |
| (c) via e-mail to : complaints@fimm.com.my  |
| (d) via online complaint form available at : <a href="http://www.fimm.com.my">www.fimm.com.my</a>   |
| (e) via letter to : Legal, Secretarial & Regulatory Affairs Federal of Investment<br>Managers Malaysia<br>19-06-1, 6th Floor Wisma Tune, No. 19, Lorong Dungun<br>Damansara Heights, 50490 Kuala Lumpur |

## Asset Management

### APPENDIX: GLOSSARY

<b>AUD</b>	Means Australian Dollar, the lawful currency of Australia.
<b>Base Currency</b>	Means the currency in which the Fund is denominated i.e. Ringgit Malaysia (RM)
<b>Bursa Malaysia</b>	Means the stock exchange managed and operated by Bursa Malaysia Securities Berhad and including such other name as it may be amended from time to time.
<b>Business Day</b>	Means a day on which Bursa Malaysia is open for trading.
<b>Class(es)</b>	Means any class of Units representing similar interests in the assets of the Fund although a class of Units of the Fund may have different features from another class of Units of the same Fund.
<b>Deed</b>	Refers to the deed dated 1 July 2013, the supplemental deed dated 5 November 2014 and the second supplemental deed dated 23 July 2018, entered into between the Manager and the Trustee including any subsequent amendments and variations to the deed.
<b>EPF</b>	Employees Provident Fund.
<b>EMIS</b>	EPF Members' Investment Scheme.
<b>EUR</b>	Means Euro, the lawful currency of the European Union's member states.
<b>Fund</b>	Refers to Affin Hwang Select Asia Pacific (ex Japan) Dividend Fund.
<b>GBP</b>	British Pound Sterling.
<b>Guidelines</b>	Means the Guidelines on Unit Trust Funds issued by the SC and as may be amended, substitute or replaced from time to time.
<b>Hedged-class</b>	Means a Class that aims to reduce the effect of exchange rate fluctuations between the Base Currency and the currency of the Class to which Unit Holders are exposed to.
<b>the Manager/AHAM</b>	Refers to Affin Hwang Asset Management Berhad.
<b>medium to long-term</b>	Means a period between three (3) years and above.
<b>Net Asset Value or NAV</b>	Means the value of all assets of the Fund less the value of all the liabilities of the Fund at a valuation point; where the Fund has more than one Class, there shall be a Net Asset Value of the Fund attributable to each Class.
<b>NAV per Unit</b>	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; where the Fund has more than one Class, there shall be a Net Asset value per Unit for each Class; the Net Asset Value per Unit of a Class at a particular valuation point shall be the Net Asset Value of the Fund attributable to that Class divided by the number of Units in circulation of that Class at the same valuation point.
<b>Prospectus</b>	Means the prospectus of the Fund and includes any supplementary or replacement prospectus, as the case may be.
<b>Repurchase Charge</b>	Means a charge imposed pursuant to a request for repurchase request.
<b>RM</b>	Ringgit Malaysia.
<b>RMB</b>	Renminbi.
<b>Sales Charge</b>	Means a charge imposed pursuant to a purchase request of Units.
<b>SC</b>	Means Securities Commission Malaysia.
<b>SGD</b>	Singapore Dollar.
<b>Trustee</b>	Refers to Deutsche Trustees Malaysia Berhad
<b>Unit(s)</b>	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund and if the Fund has more than one class, it means a Unit issued for each Class.
<b>Units in Circulation</b>	Means Units created and fully paid for and which have not been cancelled. It is also the total number of Units issued at a particular valuation point.
<b>Unit Holder(s), investor(s), you</b>	Means the person / corporation registered as the holder of a Unit or Units including persons jointly registered.
<b>USD</b>	United States Dollar.

Note: Reference to "day(s)" in the Prospectus will be taken to mean calendar day(s) unless otherwise stated.