

**INFORMATION MEMORANDUM FOR  
AHAM ABSOLUTE RETURN FUND I**  
*(Formerly known as Affin Hwang Absolute Return Fund I)*

**Manager** : **AHAM Asset Management Berhad**  
*(Formerly known as Affin Hwang Asset Management Berhad)*  
Registration No.: 199701014290 (429786-T)

**Trustee** : **TMF Trustees Malaysia Berhad**  
Registration No.: 200301008392 (610812-W)

This Replacement Information Memorandum is dated 10 November 2023.

The AHAM Absolute Return Fund I was constituted on 26 June 2009.  
*The constitution date of the Fund is the date the Fund is first launched.*

A copy of this Information Memorandum has been lodged with the Securities Commission Malaysia. The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia. The lodgement of this Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Information Memorandum. The Securities Commission Malaysia is not liable for any non-disclosure on the part of AHAM Asset Management Berhad *(formerly known as Affin Hwang Asset Management Berhad)* responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

Sophisticated Investors should note that they may seek recourse under the Capital Markets and Services Act 2007 for breaches of securities laws including any statement in this Information Memorandum that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Information Memorandum or the conduct of any other person in relation to the Fund.

This Information Memorandum is to be issued and distributed in Malaysia only. Consequently, no representation has been and will be made as to its compliance with the laws of any foreign jurisdiction.

**INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE UNITS OF THE FUND. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.**



**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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# CORPORATE DIRECTORY

## **The Manager/AHAM**

**AHAM Asset Management Berhad**

*(Formerly known as Affin Hwang Asset Management Berhad)*

### **Registered Office**

27<sup>th</sup> Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur

Tel No. : (603) 2142 3700

Fax No. : (603) 2140 3799

### **Business Address**

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E-mail : [customercare@aham.com.my](mailto:customercare@aham.com.my)

Website : [www.aham.com.my](http://www.aham.com.my)

## **The Trustee**

**TMF Trustees Malaysia Berhad**

### **Registered Office & Business Address**

10<sup>th</sup> Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur

Tel No. : (603) 2382 4288

Fax No. : (603) 2026 1451

E-mail: [malaysia@tmf-group.com](mailto:malaysia@tmf-group.com)

Website: [www.tmf-group.com](http://www.tmf-group.com)

# GLOSSARY

|  |   |
|--|---|
| <b>Act</b>                               | Means the Capital Markets and Services Act 2007 as may be amended from time to time.  |
| <b>Bursa Malaysia</b>                    | Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as it may be amended from time to time.   |
| <b>Business Day</b>                      | Means a day on which Bursa Malaysia and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading.   |
| <b>Commencement Date</b>                 | Means the date on which investments of the Fund was first made. The Commencement Date is also the date of constitution of the Fund.   |
| <b>CVC Capital Partners Asia Fund V</b>  | Means collectively (1) CVC Capital Partners Asia V L.P.; (2) CVC Capital Partners Investment Asia V L.P.; and (3) CVC Capital Partners Asia V Associates L.P.   |
| <b>Deed</b>                              | Means the deed dated 12 June 2009, the supplemental deed dated 18 January 2012, the second supplemental deed dated 27 June 2014, the third supplemental deed dated 5 October 2018 and the fourth supplemental deed dated 26 October 2023 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the deed.                |
| <b>deposits</b>                          | Has the same meaning as per the definition of “deposit” in the Financial Services Act 2013. For the avoidance of doubt, it shall exclude structured deposits.   |
| <b>Development Financial Institution</b> | Means a development financial institution under the Development Financial Institutions Act 2002.  |
| <b>eligible market(s)</b>                | Means an exchange, government securities market or an over-the-counter (“OTC”) market–<br>(a) that is regulated by a regulatory authority of that jurisdiction;<br>(b) that is open to the public or to a substantial number of market participants; and<br>(c) on which financial instruments are regularly traded.  |
| <b>FIMM</b>                              | Means the Federation of Investment Managers Malaysia.   |
| <b>Financial Institution</b>             | Means (1) if the institution is in Malaysia –<br>(i) Licensed Bank;<br>(ii) Licensed Investment Bank;<br>(iii) Development Financial Institution; or<br>(iv) Licensed Islamic Bank; or<br>(2) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services. |
| <b>Forward Pricing</b>                   | Means the method of determining the price of a Unit which is the NAV per Unit at the next valuation point after an application for purchase or repurchase request is received by the Manager.   |
| <b>Fund</b>                              | Means the AHAM Absolute Return Fund I ( <i>formerly known as Affin Hwang Absolute Return Fund I</i> ).  |
| <b>Guidelines</b>                        | Refers to the Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework issued by the SC as may be amended from time to time.   |
| <b>High Watermark/ HWM</b>               | Means the highest peak in NAV per Unit that the Fund has reached for a Performance Period as determined by the Manager at the beginning of each Performance Period.   |
| <b>Hurdle Value</b>                      | Means the HWM plus 7.0% set at the beginning of each Performance Period.  |
| <b>Information Memorandum</b>            | Means this offer document in respect of this Fund as may be replaced or amended from time to time.  |

|                                 |  |
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| <b>Licensed Bank</b>            | Means a bank licensed under the Financial Services Act 2013.   |
| <b>Licensed Investment Bank</b> | Means an investment bank licensed under the Financial Services Act 2013.   |
| <b>Licensed Islamic Bank</b>    | Means an Islamic bank licensed under the Islamic Financial Services Act 2013.  |
| <b>long-term</b>                | Means a period of more than five (5) years.  |
| <b>medium-term</b>              | Means a period between three (3) to five (5) years.  |
| <b>Manager / AHAM</b>           | Refers to AHAM Asset Management Berhad ( <i>formerly known as Affin Hwang Asset Management Berhad</i> ).   |
| <b>NAV</b>                      | Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point.  |
| <b>NAV per Unit</b>             | Means the NAV of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point.   |
| <b>Performance Period</b>       | A "Performance Period" for each Unit is a period of one (1) year (except for the first Performance Period) ending at the close of business on the 30th day of November each year. The first Performance Period for a Unit shall commence on the date of first investment by the Fund and ending at the close of business on the 30th day of November which coincides with the financial reporting year end for the Fund. Thereafter, a Performance Period is each period commencing as of the Business Day following the last Business Day of the preceding Performance Period for that Unit and ending as of the close of business on the next to occur, (i) as of the 30th day of November in each year, or (ii) such period as determined by the Manager. If 30th November is not a Business Day, the end of the Performance Period shall be the last Business Day immediately preceding 30th November. |
| <b>Repurchase Charge</b>        | Means a charge imposed pursuant to a repurchase request.   |
| <b>Repurchase Price</b>         | Means the price payable to the Unit Holder by the Manager for a Unit pursuant to a repurchase request and it shall be exclusive of any Repurchase Charge.  |
| <b>RM</b>                       | Means Ringgit Malaysia.  |
| <b>Sales Charge</b>             | Means a charge imposed pursuant to a purchase request.   |
| <b>SC</b>                       | Means the Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993.  |
| <b>Selling Price</b>            | Means the price payable by the Unit Holder for the Manager to create a Unit in the Fund and it shall be exclusive of any Sales Charge.   |
| <b>short-term</b>               | A period of less than three (3) years.   |
| <b>Sophisticated Investor</b>   | Refers to any person (a) who falls within any of the categories of investors set out in Part 1, Schedules 6 and 7 of the Act; (b) who acquires unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or (c) any other person as may be determined by the SC from time to time under the Guidelines.<br><br>Note: For more information, please refer to our website at <a href="http://www.aham.com.my">www.aham.com.my</a> for the current excerpts of Part 1, Schedules 6 and 7 of the Act and the list of other Sophisticated Investors as permitted by the SC under the Guidelines.   |
| <b>Special Resolution</b>       | Means a resolution passed by a majority of not less than three quarter ( $\frac{3}{4}$ ) of Unit Holders voting at a meeting of Unit Holders.<br><br>For the purpose of terminating or winding up the Fund, a special resolution is passed by a majority in number representing at least three quarter ( $\frac{3}{4}$ ) of the value of Units held by Unit Holders voting at the meeting.   |
| <b>Trustee</b>                  | Refers to TMF Trustees Malaysia Berhad.  |

|                             |  |
|-----------------------------|--|
| <b>Unit or Units</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. |
| <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)</b>       | Means the person/corporation for the time being who, in full compliance to the relevant laws is a Sophisticated Investor pursuant to the Guidelines including a jointholder.           |

Reference to first person pronouns such as “we”, “us” or “our” in this Information Memorandum means the Manager/AHAM.

# UNDERSTANDING THE RISKS OF THE FUND

This section of the Information Memorandum provides you with information on the general risks involved when investing in the Fund and the specific risks associated with the securities/instruments that the Fund will be investing in.

## General risks of the Fund

- **Market risk** - Market risk arises because of factors that affect the entire market place. 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 fluctuations in the economic, political and social environment that will affect the market price of the investments either in a positive or negative way.
- **Fund management risk** - This risk refers to the day-to-day management of the Fund by us which will impact the performance of the Fund. For example, investment decisions undertaken by us as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant laws or guidelines due to factors such as human error, fraud, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
- **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 fund managers are important and the risk on the lack of experience and expertise of the fund managers has been 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 scenario is where an investment cannot be sold due to the unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the Fund and subsequently the value of Unit Holders' investments in the Fund. Upon such event and in the best interest of the Unit Holders, the Manager may suspend the repurchase of Units requests. Please refer to "*Suspension of Dealing in Units*" section of this Information Memorandum for more details.
- **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 NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan or financing.
- **Risk of non-compliance** – There is also the risk that the Manager may not follow the rules set out in the Deed, 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 the Manager's internal controls and policies. The breakdown may be a result of human error, system failure or fraud where employees of the Manager collude with one another. This risk may cause monetary loss and/or inconvenience to you. The Manager will regularly review its internal policies and system capability to mitigate instances of this risk. Additionally, the Manager maintains a strict segregation of duties to mitigate instances of fraudulent practices amongst employees of the Manager.

- **Counterparty risk** – Counterparty risk is the risk associated with the ongoing ability and willingness of the issuers to derivatives (“investments”) to fulfil their respective financial commitments to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/or in connection with the issuers may impair the operations and/or the performance of the Fund. However, we will conduct stringent credit selection process of the issuers of the investments prior to commencement of investments and monitoring mechanisms established by us may potentially mitigate this risk. If, we are of the opinion there is material adverse change to an issuer, we may consider unwinding the issuer’s investment to mitigate potential losses that may arise.
- **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 or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so. 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.
- **Related party transaction risk** – The Fund may also have dealings with parties related to AHAM. Nevertheless, it is our policy that all transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arm’s length transaction between independent parties.

### Specific risks of the Fund

The specific risks associated with the securities/instruments in which the Fund will invest include:

- **Equities investment risk** – The buying and selling of equity carry a number of risks. The most important being the general insolvency risk associated with the issuers of equities. The value of equities investment depends on its earning potential, sound management, treatment of minority shareholders, as well as a myriad of other factors. Failure to achieve the expected earnings would result in declining equities value which in turn affects the performance of the Fund. To mitigate the negative impact on the performance of the Fund, the Manager will employ stringent equity selection criteria which would effectively filter the stock components to equities which can provide capital gains to the Fund.
- **Credit and default risk** – Credit risk relates to the creditworthiness of the issuers of the fixed income instruments i.e., debentures, 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 Financial Institution may impact the value as well as liquidity of the investment. In the case of rated investments, this may lead to a credit downgrade. Default risk relates to the risk of an issuer and/or a Financial Institution of the investment either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investment. This could adversely affect the value of the Fund.
- **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.
- **Collective investment schemes risk** - Any adverse effect on the collective investment scheme which the Fund is investing in will impact the NAV of the Fund. For example, the respective collective investment schemes may underperform its benchmarks due to poor market conditions and as a result, the NAV of the Fund will be adversely affected as the performance of the Fund is dependent on the performance of the respective collective investment schemes.
- **Currency risk** – As the investments of the Fund may be denominated in currencies other than the base currency of the Fund, any fluctuation in the exchange rate between the base currency of the Fund and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency of the Fund, this will have an adverse effect on the NAV of the Fund in the base currency of the Fund and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.



- **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. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the NAV of the Fund or prices of Units to fall.
- **Political risk** – The investments of the Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, and restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in the relevant countries. The Manager shall implement a stringent screening process in respect of the country and region prior to investing to assess the impact of such risk to the performance of the investments.
- **Regulatory risk** - The investments of the Fund would be exposed to changes in the laws and regulations in the countries the Fund is invested in. These regulatory changes pose a risk to the Fund as it may materially impact the investments of the Fund. In an effort to manage and mitigate such risk, the Manager seeks to continuously keep abreast of regulatory developments (for example, by closely monitoring announcements on regulators’ website and mainstream media) in that country. The Manager may dispose its investments in that particular country should the regulatory changes adversely impact the Unit Holders’ interest or diminish returns to the Fund.

**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 of this Information Memorandum to assess the risk of the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.**

# ABOUT AHAM ABSOLUTE RETURN FUND I

**FUND CATEGORY** : Mixed Assets (wholesale)      **BASE CURRENCY** : RM  
**FUND TYPE** : Income and Growth      **FINANCIAL YEAR END** : 30 November  
**DISTRIBUTION POLICY** : The Fund endeavours to distribute income on an annual basis at the end of every November.

## INVESTMENT OBJECTIVE

The Fund endeavours to achieve long-term capital growth while striving to maintain capital stability.

*Any material change to the Fund's investment objective would require Unit Holders' approval.*

## BENCHMARK

Absolute return of 7.0% per annum\*

*\*Annual portfolio return is time weighted for capital withdrawals and contributions during the year.*

## ASSET ALLOCATION

The Fund's asset allocation range is as follows:

| Asset Type  | % of the Fund's NAV |
|---|---------------------|
| Fixed income instruments and/or short-term money market instruments | Maximum 100%        |
| Equities and collective investment schemes                          | Maximum 70%         |

Notwithstanding the asset allocation, the Manager will also maintain a sufficient level of cash or cash equivalent for liquidity purposes.

## INVESTMENT STRATEGIES

The Fund aims to achieve potential capital growth over the long-term via an optimal asset allocation mix of fixed income instruments and money market instruments (including cash and cash equivalents), equities and collective investment schemes.

The Manager shall have sole and absolute discretion in determining the optimal asset allocation mix. This asset allocation strategy enables the Manager to respond to any material market conditions, economic, political or any other conditions in order to achieve the Fund's objective. As such, the Manager may allocate up to 100% of the Fund's NAV for exposure to fixed income instruments which would consist of government bonds, corporate bonds, convertible bonds and money market instruments (including cash and cash equivalents). The Manager may also allocate up to 70% of the Fund's NAV for exposure to equities. The asset allocation strategy will be based on the Manager's macroeconomic and microeconomic outlook over the medium- to long-term. Depending on the Manager's prevailing equity and fixed income outlook, the Manager shall have full discretion to alter the asset allocation subject always to asset allocation limits stipulated. There is no target industry or sector. The Fund may also invest in collective investment schemes for the purposes of, without limitation, cash management and gaining access into a particular market, industry or sector where such is the optimum mode of access.

The Manager will adopt a quarterly investment view, which is crystallised from a series of strategy meetings held in each quarter. The strategy meetings will formulate the Manager's macro-economic attitude for the invested securities of the Fund.

Apart from the quarterly strategy meetings, the Manager's investment team will meet on a regular basis to continuously monitor the changing investment landscape and re-assess market conditions in order to ensure that the prevailing market environment and outlook are consistently matched with the Fund's investment objective.

In respect of investment in equities, the Manager adopts a fundamentally driven, value-active investment philosophy with top-down macroeconomic and a bottom-up fundamental analysis of individual securities. In particular for this Fund, the Manager will take a top-down approach for asset allocation in terms of portfolio beta and risk exposures. This would be based on the Manager's independent framework which comprises liquidity analysis, earnings outlook and valuation.

The focus of the Fund's investment strategy on equities would be on bottom-up stock picking and alpha generation. The Manager maintains a qualifying master list of stocks owned or under consideration, with target prices and recommended actions. Each stock would be considered on its own merits, after a rigorous and independent process of idea generation, industry analysis and company research. When choosing *individual stock*, the following are the more important considerations:

- historical and expected future dividend yield;
- industry and business medium to long-term outlook;
- management track record/quality;
- treatment towards minority shareholders by management and controlling shareholders;
- financial strength and gearing levels;
- earnings and cash flow volatility;
- expected future earnings growth; and
- share price valuation.

As to investment in fixed income instruments, the fundamental investment process will be driven by two main factors:

1. The interest rate outlook for the market; and
2. The overall balance between credit quality and yield of the targeted fixed income investments.

The above entails studying relevant economic and business statistics in order to produce forecasts of interest rate trends. Relative return analysis will also be conducted between securities with the same credit ratings to determine if yields can be enhanced by switching investments. In addition, the Manager will constantly seek potential credit upgrade issues and avoid potential downgrade issues to maximise returns to Unit Holders.

In selecting *individual fixed income securities*, the Manager will follow a strict selection process to ensure only appropriate securities are invested in respect of the investment objective. The process involves screening and selecting quality securities with risk-return profiles that match the Fund's objective. Such process is largely dependent on credit quality to assure relative certainty of principal repayment and overall total return stability. In selecting *individual fixed income securities*, the 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 where available;
- duration and interest rate sensitivity;
- collateral type and value, and claims priority; and
- price and yield-to-maturity.

## **What are Convertible Bonds?**

Convertible bonds (“CBs”) are fixed income securities which provide both debt and equity like characteristics. CBs provide investors with the option to convert/exchange the bond for a fixed number of shares of the CB issuer. CBs have the benefits of debt instruments in that they pay fixed coupons and are redeemable at maturity at a pre-specified price.

CBs generally trade like typical corporate bonds. However, they also tend to rise in value as the stock price of the CB issuer appreciates. Conversely, the value of a CB also tends to depreciate as the stock price of the CB issuer falls. This is because the value of the conversion option of the CB is linked to the stock price of the CB issuer.

## **Investments in Foreign Equities and Fixed Income Instruments**

The Fund may invest in foreign equities as well as fixed income instruments. The purpose of such a strategy is to enhance the return of the Fund as well as to provide portfolio diversification.

The selection of individual foreign equities and fixed income instruments would also follow a similar process/considerations as that highlighted above.

Investments in foreign equities and fixed income instruments are subject to currency risk. The decision to hedge any foreign currency exposure would depend on the Manager’s outlook and views on the relevant currency exposures of the Fund.

## **Investment in Foreign Countries**

The Fund may invest in foreign markets which are eligible markets.

Investment in foreign countries should be opportunistic in nature. There is no target country or theme. Investments into foreign countries would generally be asset specific.

## **Derivative**

Derivatives trades may be carried out for hedging purposes through financial instruments including, but not limited to, forward contracts, futures contracts and swaps. Futures and forward contracts are generally contracts between two parties to trade an asset at an agreed price on a pre-determined future date whereas swaps is an agreement to swap or exchange two financial instruments between two parties.

The intention of hedging is to preserve the value of the assets from any adverse price movements. While the hedging transactions will assist in mitigating the potential foreign exchange losses by the Fund, any potential foreign exchange gains from the hedging strategy will be capped as well.

The Fund adopts commitment approach to measure the Fund’s global exposure to derivatives. The commitment approach is a methodology that aggregates the underlying market values or notional values of derivatives after taking into account the possible effects of netting and/or hedging arrangements. The Fund’s global exposure from the derivatives position must not exceed 100% of NAV of the Fund at all times.

## **Temporary Defensive Position**

We may take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation to protect the Fund against adverse market conditions that may impact financial markets. To manage the risk of the Fund, we may shift the Fund’s focus and exposure to lower risk investments such as deposits or money market instruments.

## **Cross Trades**

AHAM may conduct cross trades between funds which it is currently managing provided that all criteria imposed by the regulators are met. Notwithstanding the aforesaid, cross trades between the personal account of an employee of AHAM and the Fund’s account(s) and between AHAM’s proprietary trading accounts and the Fund’s account(s) are strictly prohibited. Compliance with the criteria would be monitored by AHAM’s Compliance Unit, and reported to AHAM’s compliance and risk management committee, to avoid conflict of interests and manipulation that could have a negative impact on investors.

## PERMITTED INVESTMENTS

Unless otherwise prohibited by the relevant authorities or any relevant law or contract and provided always that there is no inconsistency with the objectives and asset allocation of the Fund, the Fund may invest in the following:-

- (a) Listed securities;
- (b) Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities;
- (c) Government bonds, treasury bills and other government approved or guaranteed bonds;
- (d) Debentures including corporate bonds;
- (e) Deposits;
- (f) Other money market instruments such as negotiable certificates of deposits and bankers' acceptance;
- (g) Units/shares in collective investment schemes;
- (h) Warrants;
- (i) Financial derivatives, for the purpose of hedging only; and
- (j) Any other form of investments permitted by the SC which is in line with the objective of the Fund.

## INVESTMENT RESTRICTIONS AND LIMITS

In structuring this Fund, the Manager shall ensure that to the best of its abilities, the following restrictions are adhered to:

- (a) The value of the Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- (b) The value of the Fund's investments in any securities issued by any single issuer must not exceed 15% of the Fund's NAV;
- (c) The value of the Fund's investments in any securities issued by any group of companies must not exceed 20% of the Fund's NAV; and
- (d) The Fund's investments in any securities must not exceed 10% of the securities issued by any single issuer.

If the relevant limit is breached, no further acquisition of the particular securities involved shall be made. The Manager shall, within a reasonable period of not more than six (6) months from the date of breach take all necessary steps and actions to rectify the breach.

## VALUATION OF ASSETS

We will ensure that the valuation of the Fund is carried out in a fair manner in accordance to the relevant laws and Guidelines. We will obtain the daily price or value of the assets for the purpose of valuing the Fund in accordance to the Malaysian Financial Reporting Standard 9 issued by the Malaysian Accounting Standards Board. In the absence of daily price or value of the assets, we will use the latest available price or value of the assets respectively. The valuation bases for the permitted investments of the Fund are as below:

### ➤ Listed Securities

Valuation of investments in listed securities shall be based on the closing price or last known transacted price on the eligible market on which the investment is quoted. If the price is not representative of its fair value or is not available to the market, including in the event of suspension in the quotation of the listed securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, such listed securities will be valued at fair value determined in good faith by the Manager or its delegate, based on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

### ➤ Unlisted Securities

For unlisted RM denominated debentures, valuation will be done using the price quoted by a bond pricing agency ("BPA") registered with the SC. For non-RM denominated unlisted debentures, valuation will be based on the average indicative price quoted by independent and reputable institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

For other unlisted securities, valuation will be based on fair value as determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

➤ **Collective Investment Schemes**

Valuation of investments in unlisted collective investments schemes shall be valued based on the last published repurchase price.

Valuation of investments in listed collective investment schemes shall be done in the same manner as the valuation of listed securities as described above.

➤ **Deposits**

Valuation of deposits placed with Financial Institutions will be done by reference to the principal value of the deposits and the interests accrued thereon for the relevant period.

➤ **Money Market Instruments**

Valuation of RM denominated money market instruments will be done using the price quoted by a BPA registered with the SC. For non-RM denominated money market instruments, valuation will be done using the average of quotations provided by reputable Financial Institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee. This may be determined by reference to the valuation of other money market instruments which are comparable in rating, yield, expected maturity date and/or other characteristics.

➤ **Derivatives**

Valuation of derivatives will be based on the prices provided by the respective issuers. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporate all the relevant and available market data with respect to the derivatives (e.g. interest rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors). For foreign exchange forward contracts ("FX Forwards"), interpolation formula is applied to compute the value of the FX Forwards based on the rates provided by Bloomberg/Refinitiv. If the rates are not available on Bloomberg/Refinitiv, the FX Forwards will be valued based on fair value as determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

➤ **Any Other Investments**

Fair value as determined in good faith by the Manager, based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

**VALUATION POINT FOR THE FUND**

The Fund will be valued at 6.00 p.m. on every Business Day (or "trading day" or "T day"). However, as the Fund has exposure to investments outside of Malaysia, the Fund will be valued at 11.00 a.m. on the next Business Day (or "T + 1 day"). All foreign assets will be translated into the base currency of the Fund based on the bid exchange rate quoted by Bloomberg/Refinitiv at 4.00 p.m. (United Kingdom time) which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysian time) on the same day, or such time as stipulated in the investment management standards issued by the FIMM.

# ABOUT THE FEES AND CHARGES

**!** *There are fees and charges involved and you are advised to consider them before investing in the Fund.*

You should be aware that all fees, charges and expenses referred to or quoted in this Information Memorandum (including any supplemental information memorandum) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of any other applicable taxes. We (including the Trustee and other service providers) will charge any other applicable taxes on the fees, charges and expenses in accordance with any other relevant or applicable laws.

***The following are the charges that may be directly incurred by you.***

## **SALES CHARGE**

Not applicable as Sales Charge is not imposed on investors.

## **REPURCHASE CHARGE**

Not applicable as Repurchase Charge is not imposed on investors.

## **TRANSFER FEE**

Not applicable as transfer facility is not available for the Fund.

## **SWITCHING FEE**

Not applicable as switching facility is not available for the Fund.

***The following are the fees and expenses that you may indirectly incur when you invest in the Fund.***

## **ANNUAL MANAGEMENT FEE**

The Fund pays an annual management fee as mentioned in the table below:-

| <b>Net Asset Value (NAV)</b>     | <b>% of NAV of the Fund</b> |
|----------------------------------|-----------------------------|
| < RM10 million                   | 1.00% per annum             |
| ≥ RM10 million to < RM25 million | 0.85% per annum             |
| ≥ RM25 million to < RM50 million | 0.80% per annum             |
| ≥ RM50 million                   | 0.75% per annum             |

The management fee is calculated on a daily basis and payable monthly to the Manager.

*Please note that the example below is for illustration only:*

Assuming that the total NAV of the Fund is RM 100 million. The calculation of annual management fee based on total NAV of the Fund is:

$$\frac{\text{RM } 100,000,000 \times 0.75\%}{365 \text{ days}} = \text{RM } 2,054.79 \text{ per day}$$

## **ANNUAL TRUSTEE FEE**

The Fund pays an annual trustee fee of up to 0.08% per annum of the NAV of the Fund (excluding foreign sub-custodian fees and charges) (before deducting the management fee and trustee fee). The Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities.

The trustee fee is calculated daily and payable monthly to the Trustee.

*Please note that the example below is for illustration only:*

Assuming that the NAV of the Fund is RM 100 million for the day, the accrued trustee fee for that day would be:

$$\frac{\text{RM } 100,000,000 \times 0.08\%}{365 \text{ days}} = \text{RM } 219.18 \text{ per day}$$

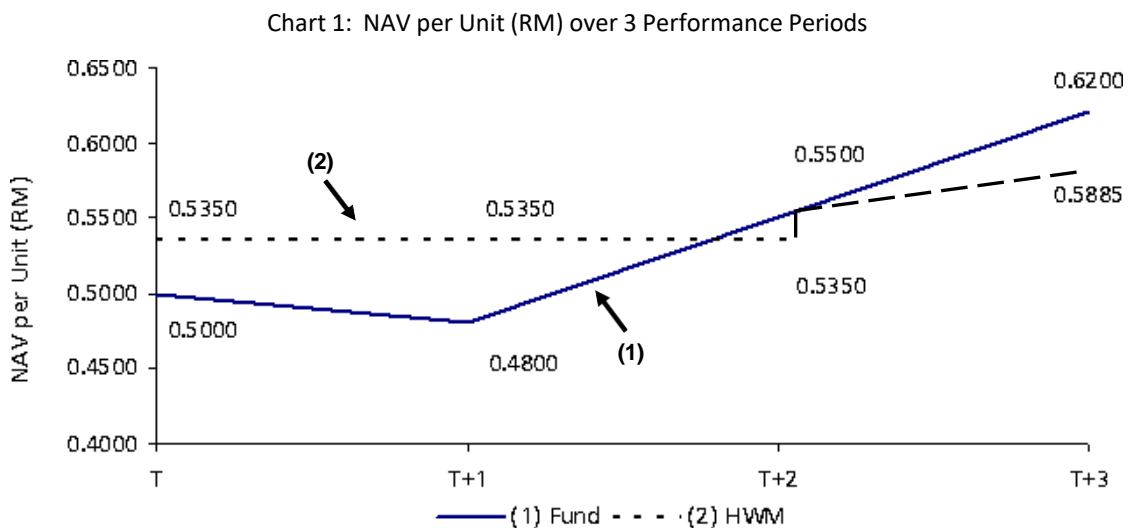
**PERFORMANCE FEE**

A Performance Fee with a Hurdle Value of HWM plus 7.0% applies to the Fund. The Hurdle Value for the first Performance Period of the Fund is immediately set at RM 0.50 x 1.07 = RM 0.535, RM 0.50 (NAV per Unit at the Commencement Date) being the HWM for the first Performance Period. The Hurdle Value for each subsequent Performance Period is reset at the HWM for the previous Performance Period plus 7.0%.

For each Performance Period, the Performance Fee in respect of each Unit will be equal to 20% of the increase in the NAV per Unit over and above the Hurdle Value accrued on a daily basis and becomes due only in the event of positive performance, that is if the increase in the NAV per Unit of the Fund during the relevant Performance Period is positive and exceeds the Hurdle Value for the same period.

If the NAV per Unit of the Fund at the end of the relevant Performance Period is *less* than the corresponding HWM for that Performance Period, there will be no Performance Fee due and the HWM would be maintained at the same level for the immediately subsequent Performance Period.

Please refer to Chart 1 below as an illustration. For simplicity, we assume that the initial NAV per Unit is RM0.50. As at end of the first Performance Period, T+1, the NAV per Unit of the Fund is at RM 0.4800, which is below the Hurdle Value of RM 0.5350 (HWM of RM0.5000 x 1.07) for the relevant Performance Period, T+1. The Fund’s performance for that Performance Period has not surpassed the Hurdle Value and therefore, no Performance Fee is due for that Performance Period. For the immediately subsequent Performance Period ending T+2, the Hurdle Value is maintained at the same level as the previous period at RM 0.5350.



If the NAV per Unit of the Fund at the end of the relevant Performance Period is *greater* than the corresponding Hurdle Value for that Performance Period, there will be a Performance Fee due and the Hurdle Value for the immediately subsequent Performance Period would be readjusted upwards by adding 7.0% to the HWM for the relevant Performance Period.

As at end of the second Performance Period, T+2, the NAV per Unit of the Fund is at RM 0.5500, which is above the Hurdle Value of RM 0.5350 for the same period. The Fund’s performance for the period has exceeded the Hurdle Value and therefore, Performance Fee is due for that Performance Period.

For the immediately subsequent Performance Period ending T+3, the Hurdle Value is adjusted upwards again by adding 7.0% to the HWM for the Performance Period, T+2 (before deduction of the Performance Fee). Therefore, the new Hurdle Value for the third period, T+3 is being calculated as RM 0.5500 x 1.07 = RM0.5885.

The Performance Fee is set at 20% of the positive performance as defined above, and is payable yearly during the month immediately following the end of each Performance Period.



A Performance Period shall coincide with each financial year of the Fund. In the case of repurchase prior to the end of the financial year, Performance Fee due will be pro-rated accordingly.

*Illustration 1:*

Based on Chart 1 above, assuming that the total number of Units in Circulation of the Fund at the end of Performance Period T+2 is 20 million Units, the returns above the Hurdle Value for the last Business Day of T+2 is (RM 0.5500 – RM0.5350) = RM 0.015 and there are 365 days in the Performance Period, the daily accrued Performance Fee due to the Manager would be:

$$RM\ 0.015 \times 20\% \times 20\ \text{million} \times (1/365) = RM\ 164.3836$$

*Illustration 2:*

Assuming that the Fund's starting value = RM 10 million (i.e. RM 0.5000 per Unit x 20 million Units) and there are no sales and repurchase during all the performance periods, the Performance Fee is calculated in Table 1 as follows:-

| Year End | Benchmark (%) | Actual Performance (%) | High Water Mark (HWM) (RM'000) | NAV per Unit (HWM) (RM) | Hurdle Value (HWM + 7%) (RM'000) | NAV per Unit (HWM + 7%) (RM) | End Value (RM'000) | End NAV per Unit (RM) | Performance Fee |
|----------|---------------|------------------------|--------------------------------|-------------------------|----------------------------------|------------------------------|--------------------|-----------------------|-----------------|
| 1st      | 7%            | -2%                    | 10,000                         | 0.5000                  | 10,700                           | 0.5350                       | 9,800              | 0.4900                | No              |
| 2nd      | 7%            | 15%                    | 10,000*                        | 0.5000*                 | 10,700                           | 0.5350                       | 11,270             | 0.5635                | Yes             |
| 3rd      | 7%            | 30%                    | 11,270                         | 0.5635                  | 12,059                           | 0.6029                       | 14,651             | 0.7326                | Yes             |
| 4th      | 7%            | 2%                     | 14,651                         | 0.7326                  | 15,677                           | 0.7839                       | 14,944             | 0.7472                | No              |
| 5th      | 7%            | 15%                    | 14,651*                        | 0.7326*                 | 15,677                           | 0.7839                       | 17,186             | 0.8593                | Yes             |

\* Previous year's HWM applies if the end value did not surpass the high water mark for that year.

The Fund's Performance Fee is accrued on each Business Day, on the basis of the difference between the NAV per Unit of the Fund on the relevant Business Day (before deduction of any provision for the Performance Fee) and the Hurdle Value, multiplied by the total number of Units in Circulation at that date and the number of days of the Performance Period.

On each Business Day, the accounting provision made on the immediately preceding Business Day is adjusted to reflect the Fund's performance, positive or negative, calculated as described above. If the NAV per Unit of the Fund on any given Business Day is lower than the corresponding Hurdle Value for the performance period, the provision made on such Business Day is returned to the Fund. The accounting provision may, however, never be negative. Under no circumstances will the Manager make any payments into the Fund or to any Unit Holder for any negative performance of the Fund.

**ADMINISTRATIVE FEES**

Only fees and expenses that are directly related and necessary to the business of the Fund may be charged to the Fund. These would include (but are not limited to) the following:

- Commissions/fees paid to brokers/dealers in effecting dealings in the investments of the Fund shown on the contract notes or confirmation notes;
- (where the custodial function is delegated by the Trustee for the custody of foreign investments) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund;
- Taxes and other duties charged on the Fund by the government and/or other authorities;

- Costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- Costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- Costs, fees, and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- Costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or commenced by either of them for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- Any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred by the Fund; and
- Other fees/expenses directly related to the Fund allowed under the Deed.

Expenses related to the issuance of this Information Memorandum will be borne by the Manager.

#### **REBATES AND SOFT COMMISSIONS**

We or any of our delegates thereof will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission should be directed to the account of the Fund.

The soft commissions can be retained by us or any of our delegates thereof provided that:-

- the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- we or our delegates will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

# DEALING INFORMATION

**!** You are advised not to make payment in cash to any individual agent when purchasing Units of the Fund.

## WHO IS ELIGIBLE TO INVEST?

- You must be at least eighteen (18) years old and a Sophisticated Investor in order to invest in this Fund. Please refer to the “Glossary” chapter of this Information Memorandum for the definition of “Sophisticated Investor”.

## WHAT ARE THE MINIMUM INITIAL INVESTMENT, MINIMUM ADDITIONAL INVESTMENT, MINIMUM REPURCHASE AMOUNT AND MINIMUM HOLDING OF UNITS?

|                                       |                 |
|---------------------------------------|-----------------|
| <b>Minimum Initial Investment*</b>    | RM500,000       |
| <b>Minimum Additional Investment*</b> | RM 100,000      |
| <b>Minimum Repurchase Amount</b>      | Not applicable  |
| <b>Minimum Holding of Units*</b>      | 1,000,000 Units |

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

## HOW TO PURCHASE UNITS?

- You may submit the purchase request by completing an application form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.
- You are required to provide us with the following completed forms and documents. However, we reserve the right to request for additional documentations before we process the purchase application.

| <b>Individual or Jointholder</b>  | <b>Corporation</b>   |
|---|--|
| <ul style="list-style-type: none"> <li>• Account opening form;</li> <li>• Suitability assessment form;</li> <li>• Personal data protection notice form;</li> <li>• Client acknowledgement form;</li> <li>• A copy of identity card or passport or any other document of identification; and</li> <li>• Foreign Account Tax Compliance Act (“FATCA”) and Common Reporting Standard (“CRS”) Self-certification Form.</li> </ul> | <ul style="list-style-type: none"> <li>• Account opening form;</li> <li>• Suitability assessment form;</li> <li>• Personal data protection notice form;</li> <li>• Certified true copy of memorandum and articles of association*;</li> <li>• Certified true copy of certificate of incorporation*;</li> <li>• Certified true copy of form 24 and form 49*;</li> <li>• Certified true copy of form 8, 9, 13, 20 and 44 (where applicable)*;</li> <li>• Latest audited financial statement;</li> <li>• Board resolution relating to the investment;</li> <li>• A list of the authorised signatories;</li> <li>• Specimen signatures of the respective signatories; and</li> <li>• Foreign Account Tax Compliance Act (“FATCA”) and Common Reporting Standard (“CRS”) Self-certification Form.</li> </ul> <p><i>* or any other equivalent documentation issued by the authorities.</i></p> |

## HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?

- You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. You may obtain our bank account details from our online download center at [www.aham.com.my](http://www.aham.com.my).
- Bank charges or other bank fees, if any, will be borne by you.

#### **WHAT IS THE PROCESS OF THE PURCHASE APPLICATION?**

- If we receive your purchase application at or before 3.30 p.m. on a Business Day (or “T day”), we will create your Units based on the NAV per Unit for that Business Day. Any purchase request received or deemed to have been received by us after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”), unless a prior arrangement is made to our satisfaction.
- Sale of Units will be honoured upon receipt of a complete set of documents together with the proof of payments.

#### **HOW TO REPURCHASE UNITS?**

- It is important to note that, you must meet the minimum holding of Units after a repurchase transaction.
- If you insist on making a repurchase request knowing that after the transaction you will hold less than the minimum holding of Units, we may withdraw all your holding of Units and pay the proceeds to you.

We may, with the consent of the Trustee, reserve the right to defer your repurchase request if such transaction would adversely affect the Fund or the interest of the Unit Holders.

You may submit the repurchase request by completing the transaction form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.

- Payment of the repurchase proceeds will be made via bank transfer where proceeds will be transferred to your bank account. Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders.
- Bank charges or other bank fees, if any, will be borne by us.

#### **WHAT IS THE PROCESS OF REPURCHASE APPLICATION?**

- For a repurchase request received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or “T day”), Units will be repurchased based on the NAV per Unit for that Business Day. Any repurchase request received after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”).

Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

#### **WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?**

- You will be paid within ten (10) Business Days from the day the repurchase request is received by us and provided that all documentations are completed and verifiable.

#### **WHAT IS THE PRICING OF UNITS?**

- The Selling Price and the Repurchase Price are equivalent to the NAV per Unit. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price.
- Forward Pricing will be used to determine the Selling Price and the Repurchase Price, i.e. the NAV per Unit as at the next valuation point after we receive the purchase request or repurchase request.

#### **WHERE TO PURCHASE AND REPURCHASE UNITS?**

- Units can be purchased and repurchased at any of the location listed in the “Directory of Sales Offices” section in this Information Memorandum or with our authorised distributors.
- You may obtain a copy of this Information Memorandum, the product highlights sheet and application forms from the abovementioned location. Alternatively, you may also visit our website at [www.aham.com.my](http://www.aham.com.my).

#### **WHAT IS COOLING-OFF RIGHT?**

- You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application.

- You will be refunded for every Unit held based on the prices mentioned below and the Sales Charge imposed on the day those Units were purchased.
  - (i) If the price of a Unit on the day the Units were first purchased (“original price”) is higher than the price of a Unit at the point of exercise of the cooling-off right (“market price”), you will be refunded based on the market price at the point of cooling-off; or
  - (ii) If the market price is higher than the original price, you will be refunded based on the original price at the point of cooling-off.
- You will be refunded within ten (10) Business Days from our receipt of the cooling-off application.
 

Please note that the cooling-off right is applicable to you if you are an individual investor and are investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trust funds, you are not entitled to this right.

#### **WHAT IS THE PROCESS OF COOLING-OFF APPLICATION?**

- We will process your cooling-off request if your request is received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or “T day”). Any cooling-off request received after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”).
 

Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

#### **CAN I TRANSFER MY UNITS TO ANOTHER PERSON?**

Transfer facility is not available for the Fund.

#### **WHAT ARE THE SWITCHING OPTIONS?**

Switching facility is not available for the Fund.

#### **HOW DO I RECEIVE THE INCOME DISTRIBUTION?**

- The Fund endeavours to distribute income on an annual basis at the end of every November.
- All income distribution will be made in the form of cash. However, Unit Holders may, when filling up the application form for the purchase of Units, elect the mode of distributions in cash payment or additional Units by way of reinvestment by simply ticking the appropriate column in the application form. Unit Holders may also inform the Manager, at any time before the distribution date of the Unit Holders’ wish of receiving cash payment or additional Units via reinvestment.

Any distribution payable which is less than or equal to the amount of RM300.00 would be automatically reinvested on behalf of the Unit Holders.

##### Reinvestment Process

Where a Unit Holder elects to receive income distribution by way of reinvestment, the Manager shall create Units for the Unit Holder based on the NAV per Unit of the Fund on the income payment date which is within two (2) Business Days after the income distribution date. There will not be any cost to Unit Holders for reinvestment in additional Units, i.e. no Sales Charge will be imposed on such reinvestment.

##### Cash Payment Process

Unit Holders electing to receive income distribution by way of cash payment will be paid via telegraphic transfer. Income will be transferred to your bank account within seven (7) Business Days after the distribution date.

## **SUSPENSION OF DEALING IN UNITS**

The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the dealing in Units due to exceptional circumstances or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so. The Manager will cease the suspension as soon as practicable after the exceptional circumstances have ceased, and in any event, within twenty-one (21) days from the commencement of suspension.

The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interest of the Unit Holders for the dealing in Units to remain suspended, subject to a weekly review by the Trustee.

The Trustee may suspend the dealing in Units, if the Trustee, on its own accord, considers that exceptional circumstances have been triggered. In such a case, the Trustee shall immediately call for a Unit Holders' meeting to decide on the next course of action.

# RELEVANT INFORMATION

## SALIENT TERMS OF THE DEED

### Rights and Liabilities of Unit Holders

#### Rights of Unit Holders

A Unit Holder has the right, among others, to the followings:

- (a) To receive the distribution of income, to participate in any increase in the value of the Units and to enjoy such other rights and privileges as set out under the Deed;
- (b) To call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution;
- (c) To exercise the cooling-off right (if applicable); and
- (d) To receive annual and quarterly reports.

However, a Unit Holder would not have the right to require the transfer to the Unit Holder of any of the investments or assets of the Fund. Neither would a Unit Holder have the right to interfere with or question the exercise by the Trustee or the Manager on the Trustee's behalf, of the rights of the Trustee as the registered owner of such investments and assets.

#### Liabilities of Unit Holders

- (a) No Unit Holder is liable for any amount in excess of the purchase price paid for the Units as determined pursuant to the Deed at the time the Units were purchased and any charges payable in relation thereto; and
- (b) Unit Holders shall not be under any obligation to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and/or the Manager in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund, and any right of indemnity of the Trustee and/or the Manager shall be limited to recourse to the Fund.

#### Provisions regarding Unit Holders' Meetings

##### Quorum Required for Convening a Unit Holders' Meeting

- (a) The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy; however, if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders shall be two (2) Unit Holders, whether present in person or by proxy.
- (b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in Circulation at the time of the meeting.
- (c) If the Fund has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders.

##### Unit Holders meeting convened by Unit Holders

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving an application from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders, whichever is less, summon a meeting of the Unit Holders by:

- (a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders at the Unit Holders' last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and
- (b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

The Unit Holders may apply to the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:

- (a) requiring the retirement or removal of the Manager;
- (b) requiring the retirement or removal of the Trustee;
- (c) considering the most recent financial statements of the Fund; or
- (d) giving to the Trustee such directions as the meeting thinks proper;

provided always that the Manager shall not be obliged to summon such a meeting unless application has been received from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders, whichever is the lesser number.

#### **Unit Holders meeting convened by Manager or Trustee**

Unless otherwise required or allowed by the relevant laws, the Manager or Trustee may convene a Unit Holders' meeting by giving Unit Holders a 14 days' written notice specifying the place, time and terms of the resolutions to be proposed.

Provided that where the Trustee summons a meeting in the event:

- (a) the Manager is in liquidation;
- (b) in the opinion of the Trustee, the Manager has ceased to carry on business; or
- (c) in the opinion of the Trustee, the Manager has, to the prejudice of Unit Holders, failed to comply with the Deed or contravened any of the provisions of the Act,

Or where the Trustee summons a meeting for the purpose of:

- (a) requiring the retirement or removal of the Manager;
- (b) giving instructions to the Trustee or the Manager if the Trustee considers that the investment management policies of the Manager are not in the interests of Unit Holders;
- (c) securing the agreement of the Unit Holders to release the Trustee from any liability;
- (d) deciding on the next course of action after the Trustee has suspended the sale and repurchase of Units pursuant to Clause 6.10.3 of the Deed; and
- (e) deciding on the reasonableness of the annual management fee charged to the Fund.

Then, a meeting of the Unit Holders summoned by the Trustee shall be summoned by:

- (a) sending by post at least twenty-one (21) days before the date of the proposed meeting a notice of the proposed meeting to each of the Unit Holders at the Unit Holder's last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and
- (b) publishing at least twenty-one (21) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

#### **Termination of the Fund**

##### **Circumstances that may lead to the termination of the Fund**

The Manager may determine the trust and wind up the Fund without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:

- (a) if any new law shall be passed which renders it illegal; or
- (b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund and the termination of the Fund is in the best interests of the Unit Holders.

Notwithstanding the aforesaid, if the Fund is left with no Unit Holder, the Manager shall also be entitled to terminate the Fund.



**The maximum fees and charges that may be imposed by the Manager and the steps to be taken by the Manager to increase such fees and charges**

**Maximum Rate of Direct Fees and Charges allowable by the Deed**

- There is no maximum sales charge applicable to the Fund.
- There is no maximum repurchase charge applicable to the Fund.

**Maximum Rate of Indirect Fees and Charges allowable by the Deed**

- The maximum rate of the annual management Fee shall be as follows:

| <b>Net Asset Value (NAV)</b>     | <b>% of NAV per annum</b> |
|----------------------------------|---------------------------|
| < RM10 million                   | 1.00%                     |
| ≥ RM10 million to < RM25 million | 0.85%                     |
| ≥ RM25 million to < RM50 million | 0.80%                     |
| ≥ RM50 million                   | 0.75%                     |

- The maximum rate of the annual trustee fee shall be zero point one per centum (**0.10%**) per annum of the NAV of the Fund (excluding foreign custodian fees and charges).

**Procedures to be taken to increase the Direct and Indirect Fees and Charges from the current amount stipulated in the Information Memorandum**

**Sales Charge**

The Manager may not charge a Sales Charge at a rate higher than that disclosed in this Information Memorandum unless:

- (a) the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge; and
- (b) a supplemental or replacement information memorandum in respect of the Fund setting out the higher charge is lodged and issued.

**Repurchase Charge**

The Manager may not charge a Repurchase Charge at a rate higher than that disclosed in this Information Memorandum unless:

- (a) the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge; and
- (b) a supplemental or replacement information memorandum in respect of the Fund setting out the higher charge is lodged and issued.

**Annual Management Fee**

The Manager may not charge an annual management fee at a rate higher than that disclosed in this Information Memorandum unless:

- (a) the Manager has come to an agreement with the Trustee on the higher rate;
- (b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; and
- (c) a supplemental or replacement information memorandum stating the higher rate is lodged and issued.

### Annual Trustee Fee

The Trustee may not charge an annual trustee fee at a rate higher than that disclosed in this Information Memorandum unless:

- (a) the Manager has come to an agreement with the Trustee on the higher rate;
- (b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; and
- (c) a supplemental or replacement information memorandum stating the higher rate is lodged and issued.

### INCORRECT PRICING

We will take immediate action to rectify any incorrect valuation and/or pricing of the Fund and/or the Units and to notify the Trustee and the SC of the same unless the Trustee considers the incorrect valuation and/or pricing of the Fund and/or the Units is of minimal significance.

The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit unless the total impact on your account is less than RM 10.00. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:

|  | Reimbursement by: | Receiving parties:                |
|--|-------------------|-----------------------------------|
| Over valuation and/or pricing in relation to the purchase and creation of Units  | Fund              | Unit Holder                       |
| Over valuation and/or pricing in relation to the repurchase of Units             | AHAM              | Fund                              |
| Under valuation and/or pricing in relation to the purchase and creation of Units | AHAM              | Fund                              |
| Under valuation and/or pricing in relation to the repurchase of Units            | Fund              | Unit Holder or former Unit Holder |

### FINANCING AND SECURITIES LENDING

The Fund is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the SC's Securities Borrowing and Lending Guidelines [SBL Guidelines]) in connection with its activities.

Except for securities lending as provided under the SBL Guidelines, none of the cash or investments of the Fund may be lent. Further, the Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

### UNCLAIMED MONIES

Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will be dealt as follows:-

- (a) we may reinvest the unclaimed distribution proceeds provided that you still have an account with us; or
- (b) we will pay to the Registrar of Unclaimed Monies in accordance with the requirements of the Unclaimed Monies Act 1965.

# RELATED PARTIES TO THE FUND

## ABOUT THE MANAGER – AHAM

AHAM was incorporated in Malaysia on 2 May 1997 and began its operations under the name Hwang–DBS Capital Berhad in 2001. AHAM has more than 20 years' experience in the fund management industry. In 2022, AHAM's ultimate major shareholder is CVC Capital Partners Asia Fund V, a private equity fund managed by CVC Capital Partners ("CVC"), which has approximately 68.35% controlling interest in AHAM. CVC is a global private equity and investment advisory firm with approximately USD125 billion of assets under its management. AHAM is also 20% owned by Nikko Asset Management Co. Ltd., Tokyo-based asset management company, and 7% owned by Lembaga Tabung Angkatan Tentera.

### Our Role as the Manager

We are responsible for the investment management and marketing of the Fund, servicing Unit Holders' needs, keeping proper administrative records of Unit Holders and the Fund, ensuring compliance with stringent internal procedures and guidelines of relevant authorities.

### Our Investment Team

The investment team comprises a group of portfolio managers who possess the necessary expertise and experience to undertake the fund management of our unit trust funds. The investment team will meet at least once a week or more should the need arise. The designated fund manager of the Fund is Mr. David Ng and you may obtain his profile from our website at [www.aham.com.my](http://www.aham.com.my).

## ABOUT THE TRUSTEE – TMF TRUSTEES MALAYSIA BERHAD

The Trustee is part of the TMF Group, an independent global service provider in the trust and fiduciary sector. The group has more than 125 offices in over 83 jurisdictions in the world. TMF Group started in Malaysia in 1992 with its first office in Labuan International Business Financial Centre (IBFC), providing trust and fiduciary services. The Kuala Lumpur office was established in 2003 to support the Labuan office in servicing Malaysian clients and to undertake domestic trust business.

### Duties and Responsibilities of the Trustee

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders. In carrying out these functions and duties, the Trustee has to exercise all due care and vigilance and is required to act in accordance with the provisions of the Deed, all relevant laws and the Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, all relevant laws and the Guidelines.

### Trustee's Delegate

The Trustee has appointed Standard Chartered Bank Malaysia Berhad ("SCBMB") as the custodian of the quoted and unquoted investments of the Fund. SCBMB was incorporated in Malaysia under the same name on 29 February 1984 under the Companies Act 1965 (now known as Companies Act 2016) as a public limited company and is a direct subsidiary of Standard Chartered Bank (Singapore) Limited and an indirect subsidiary of Standard Chartered PLC (the holding company of a global banking group). SCBMB was granted a license on 1 July 1994 under the Banking and Financial Institution Act 1989 (now known as Financial Services Act 2013).

SCBMB is responsible for the Fund's assets settlement and custodising the Fund's asset. The assets are held in the name of the Fund through the custodian's wholly owned subsidiary and nominee company, Cartaban Nominees (Tempatan) Sdn Bhd. All investments are automatically registered into the name of the Fund. The custodian acts only in accordance with the instructions from the Trustee.

# INVESTORS INFORMATION

## How can I keep track of my investments?

You may obtain the daily Fund price from our website at [www.aham.com.my](http://www.aham.com.my). As the Fund has exposure to investments in foreign jurisdiction, the daily prices are based on information available two (2) Business Days prior to publication.

We will provide you with an annual report and a quarterly report within two (2) months after the end of the financial period the report covers. In addition, we will also send you a monthly statement confirming the current Unit holdings and transactions relating to your Units in the Fund.

## Who should I contact if I need additional information of the Fund?

You can seek assistance from our customer service personnel at our toll free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can e-mail us at [customercare@aham.com.my](mailto:customercare@aham.com.my).

## ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (“AMLATFPUAA”) and the SC’s Guidelines on Prevention of Money Laundering and Terrorism Financing for Reporting Institutions in the Capital Market, it is our responsibility to prevent AHAM from being used for money laundering and terrorism financing activities. To this end, we have established an Anti-Money Laundering/Counter-Financing of Terrorism Framework (AML/CFT Framework) and put in place anti-money laundering process and procedures to combat such activities. This includes a robust due diligence process and procedures for client on-boarding (such as know-your-client procedures and customer due diligence) as well as ongoing monitoring of clients’ transactions to detect any suspicious transactions.

To meet our regulatory obligations to verify the identity of our clients and to verify the source of funds, we may request for additional information from you. Information requested may include, but not limited to, supporting documents, documentary evidence to support information given and could extend to documents regarding identity of beneficial owners (if applicable). We reserve the right to reject an application to invest in the Fund should clients fail to provide the information required. Furthermore, where a particular transaction is deemed suspicious, we have an obligation under the AMLATFPUAA to notify the relevant authority of the transaction.

## DIRECTORY OF SALES OFFICES

### AHAM ASSET MANAGEMENT BERHAD

**(FORMERLY KNOWN AS AFFIN HWANG ASSET MANAGEMENT BERHAD):**

#### 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@aham.com.my](mailto:customercare@aham.com.my)  
Website: [www.aham.com.my](http://www.aham.com.my)

#### PENANG

No. 123, Jalan Macalister,  
10450 Georgetown,  
Penang  
Toll Free No : 1800-888-377

#### PERAK

1, Persiaran Greentown 6  
Greentown Business Centre  
30450 Ipoh, Perak  
Tel: 05 - 241 0668  
Fax: 05 – 255 9696

#### JOHOR

Unit 22-05, Level 22  
Menara Landmark  
No. 12, Jalan Ngee Heng  
80000 Johor Bahru, Johor  
Tel : 07 – 227 8999  
Fax : 07 – 223 8998

#### MELAKA

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

#### SABAH

Unit 1.09(a), Level 1, Plaza Shell  
29, Jalan Tunku Abdul Rahman  
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

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