



PRODUCT HIGHLIGHTS SHEET

for

Affin Hwang World Series - Asian Bond Fund

Date of issuance: 19th May 2017

RESPONSIBILITY STATEMENT

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

STATEMENT OF DISCLAIMER

The relevant information and document in relation to the Affin Hwang World Series – Asian Bond Fund (“the Fund”), including a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Affin Hwang Asset Management Berhad (429786-T) 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.



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

PRODUCT HIGHLIGHTS SHEET

AFFIN HWANG WORLD SERIES – ASIAN BOND FUND

BRIEF INFORMATION ON THE PRODUCT

1. What is this product about?

Affin Hwang World Series – Asian Bond Fund is an open-ended wholesale feeder fund, issued and managed by the Manager.

The Fund aims to provide investors with regular income through investments in a collective investment scheme, namely the MSIG Asian Bond Fund.

PRODUCT SUITABILITY

2. Who is this product suitable for?

The Fund is designed for Sophisticated Investors who have a medium to long-term investment horizon, want exposure into Asian bonds, are looking for regular income stream and have a low risk tolerance.

Please note that if you are a US Person, you are not eligible to subscribe to the Units of the Fund. If we become aware that you are a US Person who holds Units of the Fund, we will issue a notice requiring you to:-

1. Withdraw your Units of the Fund; or
 2. Transfer your Units to a non-US Person
- within thirty (30) days from the date of the said notice.

KEY PRODUCT FEATURES

3. What am I investing in?

Launch Date	19 th May 2017
Initial Offer Price	MYR 1.00
Initial Offer Period	The initial offer period will be for a period of not more than twenty one (21) calendar days from the Commencement Date of the Fund.
Tenure	The 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 Information Memorandum and the provisions of the Deed.
Base Currency	MYR
Investment Strategy	The Fund will be investing a minimum of 95% of the Fund's NAV into the Target Fund and the remaining balance of the Fund's NAV into money market instruments, deposits with Financial Institutions and/or liquid assets. We may take temporary defensive positions that may be inconsistent with the Fund's principal strategy by reducing its investment into the Target Fund and raise liquidity

Asset Management

	<p>levels of the Fund during adverse market conditions to protect the Unit Holders' interest. In raising the Fund's liquidity levels, we may also invest into collective investment schemes that are able to meet this objective.</p> <p>We may substitute the Target Fund with another fund that has a similar objective with the Fund, if, in our opinion, the Target Fund no longer meets the Fund's investment objective. However, this is subject to the Unit Holder's' approval before any such changes are made.</p> <p>We may use derivatives, such as foreign exchange forward contracts and cross currency swaps, for hedging purposes. Cross currency swaps and/or foreign exchange forward contracts may be used to hedge the principal and/or the returns of the foreign currency exposure against the Base Currency of the Fund. The employment of derivatives under these circumstances is expected to reduce the impact of foreign currency movements on the Fund's NAV. While the hedging strategy will assist with mitigating the potential foreign exchange losses by the Fund, any potential gains from the hedging strategy will be capped as well.</p>
Asset Allocation	<ul style="list-style-type: none"> • A minimum of 95% of the Fund's NAV to be invested in the Target Fund; and • The remaining balance of the Fund's NAV to be invested in money market instruments, deposits and/or liquid assets.
Performance Benchmark	12-month Malayan Banking Berhad Fixed Deposit Rate
Distribution Policy	Subject to the availability of income, the Fund endeavours to distribute income on semi-annual basis, after the end of its first financial year.
Minimum initial Investment ⁺	MYR 1,000,000
Minimum additional Investment ⁺	MYR 500,000
Minimum units held ⁺	1,000,000 Units
About the Target Fund	
Target Fund	MSIG Asian Bond Fund
Type of Class	USD Class
Base Currency	USD
Country of Origin	Singapore
Regulatory Authority	Monetary Authority of Singapore

Note: Please refer to the Fund's Information Memorandum for further details of the Fund.

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

Asset Management

4. Who am I investing with?

Relevant parties' information:

The Manager	Affin Hwang Asset Management Berhad
Manager's Delegate (Fund Valuation & Accounting Function)	CIMB Commerce Trustee Berhad (313031-A)
The Trustee	CIMB Commerce Trustee Berhad (313031-A)
Trustee's Delegate (Custody Services)	CIMB Bank Berhad (13491-P)
Tax Adviser	Deloitte Tax Services Sdn Bhd
Auditor / Reporting Accountants	PricewaterhouseCoopers
Solicitor	Messrs. Wei Chien & Partners
Target Fund Manager	Nikko Asset Management Asia Limited
Target Fund Trustee	BNP Paribas Trust Services Singapore Limited
Target Fund's Custodian Bank	BNP Paribas Securities Services, Singapore Branch

5. What are the possible outcomes of my investment?

The Fund is a wholesale feeder fund that invests in the Target Fund, which in turn invests into fixed income instruments primarily within the Asian region. The performance of this Fund would to a great extent be linked to the price movements of the Target Fund, which in turn is reliant on the performance of the portfolio of investments that it is invested in.

As such, the value of your investments will be reliant on the performance of the Target Fund. This means that if the Target Fund performance well, the Fund may reflect similar performance and likewise if the performance of the Target Fund falls, the value of your investment will also be affected. The Fund's performance is dependent on the Target Fund Manager's expertise in managing the Fund.

This Fund is aims to make income distribution on a semi-annual basis, subject to the availability of income.

Please note that the capital and returns of the Fund are not guaranteed.

KEY RISKS

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

General Risks

- **Market risk** – Market risk arises become 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. 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.
- **Management risk** – The 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 law, or guidelines due to factors such as human error, fraudulent, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
- **Performance risk** – This Fund is a feeder fund which invests in another collective investment scheme, namely the Target Fund. The performance of the Fund very much depends on the performance of the Target

Asset Management

Fund. If the Target Fund does not perform in accordance with its objective, the performance of the Fund will also be impacted negatively. The performance of the Target Fund and consequently of this Fund may go down as well as up, depending on the circumstances prevailing at a particular given time. On that basis, there is never a guarantee that investing in the Fund will produce a positive investment returns in accordance with its objective.

- **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 through the value of the investment in monetary terms has increased.
- **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 net asset value per unit as compared to the net asset value per unit at the point of purchase towards settling the loan.
- **Operational risk** – This risk refers to the risk of loss due to the breakdown, deficiencies or weaknesses in our operational support functions resulting in the operations or internal control processes producing an insufficient degree of customer quality or internal control. Operational risk is typically associated with human error, system failure, fraud and inadequate or defective procedures and controls.

Note: Please refer to “Understanding the Risks of the Fund and the Target Fund” in the Information Memorandum for further details on each risk

Specific Risks

- **Concentration risk** – The Fund is a feeder fund which invests in a single collective investment scheme. Any adverse effect on the target Fund will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the Target Fund.
- **Liquidity risk** – This is the risk that the units of the Target Fund that is held by the Fund cannot be readily sold and converted into cash. This can occur when there is a restriction on realization of units of the Target Fund. The Target Fund Manager may suspend the realization of units, or delay the payment of realization proceeds in respect of any realization request received, during any periods in which the determination of the net asset value of the Target Fund is suspended. As a result, the Fund may not be able to receive the repurchase proceeds in a timely manner, which in turn may delay the payment of repurchase proceeds to the Unit Holders.
- **Country risk** – Since the Fund invests in the Target Fund which is established in Singapore, which in turn invests in the Asian region, the Fund will be exposed to risks specific to the countries within the Asian region. The changes or developments in the regulations, political environment and the economy of the Asian countries may impact the Target Fund, which will in turn affect the Fund.
- **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. You should be aware that if the currencies in which the investments are denominated depreciate against the Base Currency, this will have an adverse effect on the NAV of the Fund in the Base Currency 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.
- **Target Fund Manager risk** – As a feeder fund, the Fund invests into the Target Fund which is managed by the Target Fund Manager. We have no control over the investment technique and knowledge, operational controls and management of the Target Fund Manager. In the event of any mismanagement of the Target Fund, the NAV of the Fund, which invests substantially all of its assets into the Target Fund, would be affected adversely.

Note: Please refer to “Understanding the Risks of the Fund and the Target Fund” in the Information Memorandum for further details on each risk.



Asset Management

Please note that the Fund, being a unit holder of the Target Fund, assumes the specific risks of the Target Fund. Please refer to “Understanding the Risks of the Fund and the Target Fund” of the Information Memorandum for more information on the peculiar risks relating to the Target Fund.

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

FEES & CHARGES

7. What are the fees and charges involved?

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

What will I be charged by the Manager?

Sales charge	There will be no Sales Charge imposed on the purchase of Units.
Repurchase charge	There will be no Repurchase Charge imposed on the redemption of Units.
Switching fee	There will be no switching fee imposed on the switching transaction.
Transfer fee	MYR5.00 per transfer.

What are the key ongoing fees charged to the Fund?

Annual management fee	Up to 0.30% per annum of the NAV of the Fund, and is calculated using the Fund's Base Currency (before deducting the management fee and trustee fee).
Annual trustee fee	Up to 0.04% per annum of the NAV of the Fund, or its equivalent in the Base Currency (excluding foreign custodian fees and charges).

What will I be charged by the Target Fund?

Preliminary charge	Not applicable
Redemption fee	Not applicable
Management fee	<ul style="list-style-type: none"> 0.18% of the NAV of the Target Fund per annum if the NAV is below USD50 million. 0.16% of the NAV of the Target Fund per annum if the NAV is USD50 million and above. <p><i>Please note that management fee will only be charged once at the Fund level. The management fee charged by the Target Fund will be paid out of the annual management fee charged by the Manager at the Fund level. There is no double charging of management fee.</i></p>

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

Asset Management

VALUATIONS AND EXITING FROM INVESTMENT

8. How often are valuations available?

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

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

You may request to redeem your investments in the Fund by completing the repurchase application form and returning it to us 3 Business Day prior to a Dealing Day between 8:45 a.m. and 3.30 p.m. Payments will be made to you within 14 days from the subsequent Dealing Day after 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?

1. For internal dispute resolution, you may contact our customer service personnel:

(a) via phone to	:	03 – 2116 6000
(b) via fax to	:	03 – 2116 6100
(c) via toll free no.	:	1-800-88-7080
(d) via email to	:	customercare@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;
 - (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 following regulatory bodies, details of which are as follows:

Federation of Investment Managers Malaysia (FiMM):

- | | | |
|-------------------------------|---|--|
| (a) via email to | : | complaints@fimm.com.my |
| (b) via online complaint form | : | www.fimm.com.my |
| (c) via letter to | : | Complaints Bureau
Legal, Secretarial & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6 th Floor, Wisma Tune
No. 19, Lorong Dungun, Damansara Heights
50490 Kuala Lumpur |

OR

Securities Industries Dispute Resolution Centre (SIDREC):

- | | | |
|-------------------|---|--|
| (a) via phone to | : | 03-2282.2280 |
| (b) via fax | : | 03-2282.3855 |
| (c) via email to | : | info@sidrect.com.my |
| (d) via letter to | : | Securities Industry Dispute Resolution Center (SIDREC) |

Asset Management

Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

3. You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:
- (a) via phone to the Aduan Hotline at : 03 – 6204 8999
 - (b) via fax to : 03 – 6204 8991
 - (c) via e-mail to : aduan@seccom.com.my
 - (d) via online complaint form available at www.sc.com.my
 - (e) via letter to : Investor Affairs & Complaints Department
Securities Commission Malaysia
No 3 Persiaran Bukit Kiara Bukit Kiara
50490 Kuala Lumpur

APPENDIX: GLOSSARY

Base Currency	Means the currency in which the Fund is denominated i.e. MYR
Bursa Malaysia	Means the stock exchange managed and operated by Bursa Malaysia Securities Berhad and includes any changes to the name or the operator of the Malaysian stock exchange.
Business Day	A day on which the Bursa Malaysia is open for trading. The Manager may declare certain Business Days a non-Business Day when deemed necessary, such as in the event of market disruption.
Business Day of the Target Fund	A day (other than a Saturday, Sunday or public holiday) on which commercial banks in Singapore and US are generally open for business, or any other day as the Target Fund Manager and the Target Fund Trustee may agree in writing.
"Commencement Date	Means the date of the Information Memorandum and is the date on which sales of Units of the Fund may first be made. The Commencement Date is also the date of constitution of the Fund.
Dealing Day	Means: <ul style="list-style-type: none"> (i) the fifteenth (15th) calendar day of each month and if that day is not a Business Day of the Target Fund, the next Business Day of the Target Fund immediately following the fifteenth (15th) calendar day of that month; and (ii) the last Business Day of the Target Fund of each month. Provided that the Target Fund Manager may decide as they deem appropriate any particular Business Day of the Target Fund to be or not to be a Dealing Day or any other day or days to be a Dealing Day upon giving reasonable notice to the Target Fund Trustee.
Deed(s)	Refers to the deed dated 28 April 2017 entered into between the Manager and the Trustee, which may be modified or varied by further supplemental deeds from time to time.
deposit	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 deposit.
Financial Institution	Means: (1) the institution is in Malaysia:- <ul style="list-style-type: none"> (i) Licensed Bank; (ii) Licensed Investment Bank (iii) Development Financial Institutions (DFIs); or (iv) Licensed Islamic Bank; (2) If the institution is outside Malaysia, any institution that is licensed, registered, approved or authorized by the relevant banking regulator to provide financial services.
the Fund	Refers to Affin Hwang World Series – Asian Bond Fund.

Asset Management

Information Memorandum	Means the offer document in respect of this Fund as may be, replaced or amended from time to time.
Licensed Bank	Means a bank licensed under the Financial Services Act 2013.
Licensed Investment Bank	Means an investment bank licensed under the Financial Services Act 2013.
Licensed Islamic Bank	Means an Islamic bank licensed under the Islamic Financial Services Act 2013.
the Manager, AHAM, we, us, our	Refers to Affin Hwang Asset Management Berhad.
MYR	Means the Malaysian Ringgit, the lawful currency of Malaysia
NAV	Means by deducting the value of all the Fund's liabilities from the value of all the Fund's assets at the valuation point; where the Fund has more than one class of Units, there shall be a Net Asset Value of the Fund attributable to each class of Units.
NAV per Unit	Means the NAV 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 of Units, there shall be a NAV per Unit for each class of Units; the NAV per Unit of a class at a particular valuation point shall be the NAV of the Fund attributable to that class of Units divided by the number of Units in Circulation of that class of Units at the same valuation point.
Sophisticated Investors	<p>Refers to –</p> <ol style="list-style-type: none"> 1) An individual whose total net personal assets, or total net joint assets with his or her spouse, exceed RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence; 2) An individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months; 3) An individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies per annum in the preceding 12 months; 4) A corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts; 5) A partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies; 6) A unit trust scheme or prescribed investment scheme 7) A private retirement scheme 8) A closed-end fund approved by SC 9) A company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies; 10) A corporation that is a public company under the Companies Act 1965 which is approved by the SC to be a trustee under the Act and has assets under management exceeding RM10 million or its equivalent in foreign currencies; 11) A statutory body established by an Act of Parliament or an enactment of any State; 12) A pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967 [Act 53]; 13) A holder of a capital markets services licence or an executive director, or a chief executive officer of a holder of a capital markets services licence; 14) A licensed institution; 15) An Islamic Bank licensee; 16) An insurance company licensed under the Financial Services Act 2013; 17) A takaful licensee registered under the Islamic Financial Services Act 2013; 18) A bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010 [704]; 19) An Islamic Bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010 [705]; and 20) Such other investor(s) as may be permitted by the Securities Commission Malaysia from time to time and/or under the relevant guidelines for wholesale funds 21) Such other investor(s) as may be permitted by the Securities Commission Malaysia from time to time and/or under the relevant guidelines for wholesale funds.
Repurchase Charge	Means a charge imposed to a Unit Holder's repurchase request.
SC	Means the Securities Commission Malaysia established under the Securities Commission Act 1993.

Asset Management

Sales Charge	Means a charge imposed pursuant to the Unit Holder's purchase request.
Target Fund	Means MSIG Asian Bond Fund.
Target Fund Manager	Refers to Nikko Asset Management Asia Limited (Company Registration No. 198202562 H).
Target Fund Trustee	Refers to BNP Paribas Trust Services Singapore Limited (Company Registration No. 200800851W).
Unit(s)	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit and if the Fund or the relevant class of Units (as the context so requires).
Units in Circulation	Means a Unit created and fully paid for. It is the total number of Units issued at a particular valuation point.
Unit Holder(s) or You	Refers to the person or persons for the time being who is in full compliance to the relevant law, is a sophisticated investor pursuant to the Guidelines and is registered pursuant to the Deed as a holder of Units of a class of Units, including a jointholder. In relation to the Fund, means all the unit holders of every class of Units in the Fund.
USD	Means United States Dollar, the lawful currency of United States of America.
US	Means United States of America.
US Person	Means a US citizen or US tax resident individual, (including a green-card holder, an individual with substantial US presence and an individual who has US permanent or mailing address), a US corporation, US partnership, US trust, or US estate for US federal income tax purposes.