

Asset Management

PRODUCT HIGHLIGHTS SHEET

for

Affin Hwang World Series – US Dollar Liquidity Fund

Date of issuance: 27 September 2021

RESPONSIBILITY STATEMENT

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

STATEMENT OF DISCLAIMER

The relevant information and document in relation to the Affin Hwang World Series – US Dollar Liquidity 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 responsible for the Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.



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

PRODUCT HIGHLIGHTS SHEET
AFFIN HWANG WORLD SERIES – US DOLLAR LIQUIDITY FUND
BRIEF INFORMATION ON THE PRODUCT
1. What is this product about?

Affin Hwang World Series – US Dollar Liquidity Fund is an open-ended wholesale feeder fund that aims to provide investors with a regular income stream and high level of liquidity to meet cash flow requirement whilst maintaining capital preservation.

PRODUCT SUITABILITY
2. Who is this product suitable for?

The Fund is designed for Sophisticated Investors who are generally conservative, risk adverse and prefer a short-term investment horizon.

KEY PRODUCT FEATURES
3. What am I investing in?

Commencement date	18 February 2020
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	USD
Investment objective	The Fund aims to provide investors with a regular income stream and high level of liquidity to meet cash flow requirement whilst maintaining capital preservation.
Asset allocation	<ul style="list-style-type: none"> ➤ A minimum of 80% of the Fund's NAV to be invested in the Target Fund; and ➤ A maximum of 20% of the Fund's NAV to be invested in money market instruments, deposits and/or cash.
Investment strategy	<p>The Fund will be investing a minimum of 80% of the Fund's NAV into the Target Fund and a maximum of 20% of the Fund's NAV into money market instruments, deposits with Financial Institutions and/or cash.</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 such changes are made.</p> <p>We may use derivatives, such as foreign exchange forward contracts and cross currency swaps, mainly 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 of any of the Class(es) against the Base Currency. The employment of derivatives under these circumstances is expected to reduce the impact of foreign currency movements of the Fund's NAV, irrespective of the currency classes. While the hedging strategy 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 may also employ derivatives for investment purposes to enhance the returns of the Fund by taking a view on the underlying asset or currency, and establish a long position to gain a specific underlying exposure. The types of derivatives envisaged for investment purposes include forwards and swaps which are over-the-counter or traded on centralized exchanges.</p> <p>Cross Trades</p>

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	AHAM may conduct cross trades between funds which it is currently managing provided that all criteria imposed by the regulators are met. Notwithstanding the above, 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 are 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.
Distribution policy	Subject to the availability of income, the Fund endeavours to distribute income on a monthly basis, after the end of its first financial year.
Minimum initial investment*	USD5,000
Minimum additional investment*	USD1,000
Minimum repurchase amount*	1,000 Units
Minimum holding of units*	1,000 Units
About the Target Fund	
Target fund	HSBC US Dollar Liquidity Fund
Inception date of the target fund	20 November 2000
Country of origin	Ireland
Regulatory authority	Central Bank of Ireland
Depository	The Bank of New York Mellon SA/NV, Dublin Branch

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

4. Who am I investing with?

Relevant parties' information:

The Manager	Affin Hwang Asset Management Berhad
The Trustee	HSBC (Malaysia) Trustee Berhad
Trustee's Delegate (Local and Foreign Custodian)	The Hongkong And Shanghai Banking Corporation Limited

5. What are the possible outcomes of my investment?

This Fund is a wholesale feeder fund that invests in the Target Fund, which in turn invests in a diversified portfolio of short-term securities. 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 underlying 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 performs 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 Investment Manager's expertise in managing the Fund.

Subject to the availability of income, the Fund endeavours to distribute income on a monthly basis, after the end of its first financial year.

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

* At our discretion, we may reduce the minimum initial investment amount, minimum additional investment amount, minimum repurchase amount and minimum holdings of units.

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KEY RISKS

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

General risks

- **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. 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 law 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** – 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 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 though 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** – Operational risk is the risk of loss due to the breakdown, deficiencies or weaknesses in the operational support functions resulting in the operations or internal control processes producing an insufficient degree of customer quality or internal control by the Manager. Operational risk is typically associated with human error, system failure, fraud and inadequate or defective procedures and controls.

Specific risks

- **Concentration risk** – This 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. This risk may be mitigated as we are allowed to take temporary defensive positions in response to adverse market conditions. We are also able to substitute the Target Fund with another fund with similar objective of the Fund if, in our opinion, the Target Fund no longer meets the Fund's objective subject to Unit Holders' approval.
- **Liquidity risk** – This is the risk that the shares 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 realisation of shares of the Target Fund. The Investment Manager may suspend the realisation of shares, or delay the payment of realisation proceeds in respect of any realisation request received, during any period 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** – Investments of the Fund in the Target Fund which is domiciled in Luxembourg may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of Luxembourg. For example, the deteriorating economic condition of that country may adversely affect the value of the investments undertaken by the Fund and in turn may cause the NAV of the Fund to fall.
- **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

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NAV of the Fund in the Base Currency and vice versa. You should note that any gain or loss arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

- **Investment Manager risk** – As a feeder fund, the Fund invests in the Target Fund which is managed by the Investment Manager. We have no control over the investment technique and knowledge, operational controls and management of the Investment Manager. In the event of any mismanagement of the Target Fund, the Fund which invests substantially all of its assets in the Target Fund, would be affected adversely.

Note: Please refer to the Fund's Information Memorandum on further details on the general and specific risks.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not possible to protect investments against all risks. You are recommended to read the whole Information Memorandum to assess the risks associated with 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	Nil
Repurchase charge	Nil.
Transfer fee	Nil.
Switching fee	The Manager does not impose any switching fee. However, if the amount of sales charge of the fund (or class) that the Unit Holder intends to switch into is higher than the sales charge imposed by the fund (or class) being switched from, then the difference in the sales charge between the two (2) funds (or classes) shall be borne by the Unit Holder.

What are the key ongoing fees charged to the Fund?

Management fee	Up to 0.40% per annum of the NAV of the Fund
Trustee fee	Up to 0.03% per annum of the NAV of the Fund

What will I be charged by the Target Fund?

Preliminary Charge	Not applicable
Redemption Fee	Not applicable
Management Fee	Up to 0.15% per annum of the net asset value of the Target Fund. <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 us at the Fund level. There is no double charging of management fee.</i>

Note: Please refer to the Information Memorandum for further explanation and illustration on the Fund's fees, charges and expenses.

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

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VALUATIONS AND EXITING FROM INVESTMENT

8. How often are valuations available?

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

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

You may request to redeem investments in the Fund at any point in time by simply completing the repurchase application form and returning it to us on any Business Day from 8.45 a.m. to 3.30 p.m. Payments will be made to you within 14 days from the day the repurchase request is received by us and provided that all documentations are completed and verifiable.

CONTACT INFORMATION

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

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 Securities Industries Dispute Resolution Centre (SIDREC):

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

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

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

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

- (a) via phone to : 03 – 20923800
- (b) via fax to : 03 – 20932700
- (c) via e-mail to : complaints@fimm.com.my
- (d) via online complaint form available at : www.fimm.com.my
- (e) via letter to : Legal, Secretarial & Regulatory Affairs
Federal of Investment Managers Malaysia
19-06-1, 6th Floor Wisma Tune, No. 19, Lorong Dungun
Damansara Heights, 50490 Kuala Lumpur

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APPENDIX : GLOSSARY

Act	Means the Capital Markets and Services Act 2007 as may be amended from time to time.
Base Currency	Means the currency in which the Fund is denominated i.e. USD.
Bursa Malaysia	Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as may be amended from time to time.
Business Day	Means a day on which Bursa Malaysia is open for trading. The Manager may declare certain Business Days as non-Business Days when deemed necessary, such as (i) in the event of market disruption; (ii) if the jurisdiction of the Target Fund declares that day as a non-business day; and/or (iii) if the Investment Manager declares that day as a non-Dealing Day for the Target Fund.
Commencement Date	Means the date on which sale of Units of the Fund was first made. The Commencement Date is also the date of constitution of the Fund.
Deed	Refers to the deed dated 15 January 2020 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the deed.
Dealing Day	Means any day which is not a Securities Industry and Financial Markets Association closing day (excluding Saturday and Sunday).
Depository	Refers to The Bank of New York Mellon SA/NV, Dublin Branch.
Development Financial Institution	Means a development financial institution under the Development Financial Institutions Act 2002.
Financial Institution	Means (1) if the institution is in Malaysia – (i) Licensed Bank; (ii) Licensed Investment Bank; (iii) Development Financial Institution; or (iv) Licensed Islamic Bank; (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.
Fund	Means Affin Hwang World Series – US Dollar Liquidity Fund.
Guidelines	Means the <i>Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework</i> issued by the SC and as may be amended from time to time.
Information Memorandum	Means the offer document in respect of this Fund as may be replaced or amended from time to time.
Investment Manager	Refers to HSBC Global Asset Management (USA) Inc.
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.
Manager or AHAM	Means Affin Hwang Asset Management Berhad.
NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the number of Unit in Circulation at the same valuation point.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
Repurchase Price	Means the NAV per Unit payable to a Unit Holder pursuant to a repurchase of a Unit; for the avoidance of doubt, the Repurchase Price does not include any Repurchase Charge which may be imposed.
Sales Charge	Means a charge imposed pursuant to a purchase request.
Selling Price	Means the NAV per Unit payable by an applicant for a Unit pursuant to a successful application for Units; for the avoidance of doubt, the Selling Price does not include any Sales Charge which may be imposed.
short term	Means a period of less than 3 years.
Sophisticated Investor	Refers to any person who falls within any of the categories of investors set out in Part 1, Schedules 6 and 7 of the Act. Note: For more information, please refer to our website at https://affinhwangam.com/ for the current excerpts of Part 1, Schedules 6 and 7 of the Act.
Target Fund	Refers to HSBC US Dollar Liquidity Fund.
Trustee	Refers to HSBC Malaysia Trustee Berhad.

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Unit or Units	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund.
Units in Circulation	Means Units created and fully paid and which has not been cancelled. <i>It is also the total number of Units issued at a particular valuation point.</i>
Unit Holder, you	Means the person for the time being who, in full compliance to the relevant laws is a Sophisticated Investor pursuant to the Guidelines including a jointholder.