

Asset Management

# PRODUCT HIGHLIGHTS SHEET

for

## Affin Hwang Aiiman Growth Fund

Date of issuance: 20 December 2019

### RESPONSIBILITY STATEMENT

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

### STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of the Affin Hwang Aiiman Growth Fund (“the Fund”) and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Affin Hwang Asset Management Berhad responsible for the Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

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

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

## PRODUCT HIGHLIGHTS SHEET

### AFFIN HWANG AIIMAN GROWTH FUND

#### BRIEF INFORMATION ON THE PRODUCT

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

The Affin Hwang Aiiman Growth Fund is an open-ended Shariah-compliant equity and growth fund, issued and managed in-house by the Manager.

The Fund's investment objective is to achieve consistent capital appreciation over a medium to long term by investing in equities and other approved investments which harmonise with Islamic philosophy and laws.

#### PRODUCT SUITABILITY

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

The Fund is suitable for medium to long-term investors, risk tolerant and seek higher returns than the benchmark on investments that comply with Shariah requirements.

#### KEY PRODUCT FEATURES

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

<b>Launch date</b>	8 October 2002
<b>Tenure</b>	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 Master Prospectus and the provisions of the Deed.
<b>Performance benchmark</b>	FTSE Bursa Malaysia Emas Shariah Index
<b>Investment strategy</b>	<p>The Fund will focus on achieving its objective by investing a minimum of 70% of the Fund's NAV into Shariah-compliant equities and the remaining will be invested in Islamic money market instruments, Shariah-based deposits, and/or held in cash.</p> <p>The investment selection process will be focused on companies that are able to provide growth potential over the medium to long term investment horizon. As such, we would adopt a top-down and bottom-up strategy investment approach to identify investment opportunities in the prevailing market. Fundamental analysis will also be carried out to determine the attractiveness of investment ideas. Key factors which are useful in identification of such companies would include sales and profit growth, financial strength and gearing levels, expected future earnings growth, share price valuation as well as management quality.</p> <p>To maintain liquidity, the Fund will invest into Islamic money market instrument and/or make placement of Shariah-based deposits with financial institutions.</p>

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	<p>The Fund will also have the flexibility to hold exposure in Shariah-compliant warrants as well as Shariah-compliant collective investment schemes that have similar investment objectives to the Fund.</p> <p><b>Temporary Defensive Position</b></p> <p>We may take temporary defensive measures that may be inconsistent with the Fund's principal strategy, and asset allocation to protect the Fund against adverse market conditions. To manage the risk of the Fund, we may shift the Fund's focus into lower risk investments such as Islamic money market instruments and/or Shariah-based deposits.</p> <p><b>Policy on Active and Frequent Trading of Securities</b></p> <p>We take an active trading policy where we look to maintain some core holdings that are held over the medium to long term which is similar to a buy and hold strategy. We will also maintain a trading portion for the portfolio, which we use to take advantage of beneficiaries during prevailing market conditions with the aim of boosting the Fund's performance.</p>						
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset Class</th> <th>% of the Fund's NAV</th> </tr> </thead> <tbody> <tr> <td>Equities</td> <td>Minimum 70%</td> </tr> <tr> <td>Islamic money market instruments, Shariah-based deposits and/or cash</td> <td>Maximum 30%</td> </tr> </tbody> </table>	Asset Class	% of the Fund's NAV	Equities	Minimum 70%	Islamic money market instruments, Shariah-based deposits and/or cash	Maximum 30%
Asset Class	% of the Fund's NAV						
Equities	Minimum 70%						
Islamic money market instruments, Shariah-based deposits and/or cash	Maximum 30%						
<b>Distribution policy</b>	The Fund endeavours to distribute income, if any, on annual basis. However, the amount of income available for distribution may fluctuate from year to year.						
<b>Minimum initial investment*</b>	MYR 1,000						
<b>Minimum additional investment*</b>	MYR 100						
<b>Minimum units held*</b>	500 Units						

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

#### 4. Who am I investing with?

Relevant parties' information:

<b>The Manager</b>	Affin Hwang Asset Management Berhad
<b>Manager Delegate (Fund Management)</b>	AIIMAN Asset Management Sdn. Bhd.
<b>Manager's Delegate (Fund Valuation and Accounting Function)</b>	HSBC (Malaysia) Trustee Berhad
<b>The Trustee</b>	HSBC (Malaysia) Trustee Berhad
<b>The Shariah Adviser</b>	Amanie Advisors Sdn. Bhd.

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

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

This is an equity fund that invests in local equities. The Fund's investment into equities would to a great extent, be linked to the price movements of the local equity market. If the local equities that are investable by the Fund performs well, the Fund's performance may reflect the same. However, should the local equities that are investable by the Fund performs poorly, the Fund's performance may also be impacted negatively.

The Fund endeavours to distribute income, if any on an annual basis. However, due to investments in equities, the Manager expects the Fund to yield incidental growth in capital.

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 because of factors that affect the entire marketplace. 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 by diversification. It stems from the fact that there are economy-wide perils which threaten all businesses. Hence, you will be exposed to market uncertainties and no matter how many Shariah-compliant securities are held, fluctuations in the economic, political and social environment will affect the market price of the Shariah-compliant investments either in a positive or negative way.
- **Fund management risk** - This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager 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, fraudulence, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
- **Performance risk** - There is no guarantee in relation to the investment returns or on the distribution of income to Unit Holders.
- **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 arises in two scenarios. The first is where the Fund's investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the Fund's investment, by its nature, is thinly traded. This will have the effect of causing the Fund's investment to be sold below its fair value which would adversely affect the NAV of the Fund.
- **Financing risk** - This risk occurs when you take a financing to finance your investment. The inherent risk of investing with financed money includes you being unable to service the financing repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower net asset value per unit as compared to the net asset value per unit at the point of purchase towards settling the financing.
- **Credit and Default risk** - Credit risk relates to the creditworthiness of the issuers of the investment (Islamic money market instruments) and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer 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 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** - The level of interest rates has an impact on the value of investments and economic growth of a country. High interest rates dampen investments and aggregate demand leading to an economic slowdown. The value of Islamic money market instruments move in the opposite direction of interest rates, any increase in rates will lead to a reduction in the value of Islamic money market instruments, thus affecting the NAV of the Fund. The interest rate is a general economic indicator that will have an impact to the management of the Fund, regardless of

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whether it is a Shariah-compliant fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments.

- Reclassification of Shariah status risk** - This risk refers to the risk that the currently held Shariah-compliant equities in the Fund may be reclassified to be Shariah non-compliant in the periodic review of the equities by the Shariah Advisory Council (“SAC”) of the SC, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, we will take the necessary steps to dispose of such equities. There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. We will be required to dispose of these equities immediately if the prices are above the purchase price. Should the prices be below the purchase price, we may choose to hold on to these holdings until the prices meet the purchase price. Nevertheless, should we decide to dispose of these equities below the purchase price, the Fund will be faced with the risk of realising its losses, thus negatively impacting the NAV of the Fund. Please refer to “Shariah Investment Guidelines” of this Prospectus on the Fund’s Shariah methodology on the treatment of gains and losses as a result of the reclassification of Shariah non-compliant equities. For example, investment decisions undertaken by the Manager 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.

### Specific risks

- Equity investment risk** - This is the risk associated with investing in a particular equity. The value of individual equity is mainly determined by its potential growth in earnings, sound management, and treatment of minority shareholders, as well as a myriad of other factors. Failure to achieve these would result in declining investment value which in turn affects the performance of the Fund. This can be mitigated by diversifying the Fund’s portfolios.
- Shariah-compliant warrants investment risk** - The value of the Shariah-compliant warrants (“warrants”) will depend on the pricing of the underlying security whereby the growth and performance prospect of the underlying security would consequentially affect the value of the warrants. In addition, the value of the warrants may decrease exponentially as the warrants approach its maturity date and the potential gains from a favourable price movement of the underlying may be offset by aggressive time decay. We may consider unwinding these warrants if there are material adverse changes to its value with the aim to mitigate the risk.

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

**It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not possible to protect investments against all risks. You are recommended to read the whole Prospectus to assess the risks associated with the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.**

## PERFORMANCE

### Average Total Return

	1 Year (1/9/18 – 31/8/19)	3 Year (1/9/16 – 31/8/19)	5 Year (1/9/14 – 31/8/19)	10 Year (1/9/09 – 31/8/19)	Since Commencement (20/10/02 – 31/8/19)
<b>Fund</b>	-4.10%	2.18%	0.48%	7.67%	10.44%
<b>Benchmark</b>	-6.99%	-1.41%	-2.06%	3.80%	5.58%

Source: Bloomberg/Lipper

### Annual Total Return

Financial Year End	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Fund</b>	-4.10%	-0.01%	11.25%	8.19%	-11.27%	17.26%	14.56%	22.14%	12.28%	10.99%
<b>Benchmark</b>	-6.99%	0.45%	2.56%	8.63%	13.44%	9.74%	5.88%	18.47%	3.82%	12.83%

Source: Bloomberg/Lipper

For the period under review i.e. 1 September 2018 to 31 August 2019, the Fund registered a return of -4.10% compared to the benchmark return of -6.99%. Since commencement, the Fund has registered a total return of 432.90%, outperforming the benchmark total return of 149.73%.

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### Basic of calculation and assumption made in calculating the returns

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

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

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

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

### Income Distribution

Financial Year End	2019	2018	2017
Gross distribution per Unit (sen)	1.50	2.00	2.00
Net distribution per Unit (sen)	1.50	2.00	2.00

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

### Portfolio Turnover Ratio (PTR)

Financial Year End	2019	2018	2017
PTR (times)	0.61	0.76	0.45

The lower PTR of the Fund was due to lower average sum of total acquisition and disposal over the period under review.

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

## FEES & CHARGES

### 7. What are the fees and charges involved?

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

#### What will I be charged by the Manager?

<b>Sales charge</b>	<b>Distributors</b>	<b>Maximum Sales Charge as a percentage of the NAV per Unit of the Fund*</b>
	IUTA	6.50%
	Internal distribution channel of AHAM	5.50%
	Unit trust consultants	5.50%
<i>Investors may negotiate for a lower charge.</i>		
The Sales Charge for investors purchasing Units through the EMIS shall be limited to a maximum charge of 3% of the NAV per Unit or as determined by the EPF.		
<b>Repurchase charge</b>	There will be no Repurchase Charge levied on the repurchase of Units for the Fund.	
<b>Switching fee</b>	There will be no switching fee levied on any switching transactions.	
<b>Transfer fee</b>	A MYR 5.00 transfer fee will be levied for each transfer of Units.	

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

<b>Management fee</b>	Up to 1.50% of the NAV of the Fund per annum (before deducting the management fee and trustee fee).
<b>Trustee fee</b>	Up to 0.07% per annum of the NAV of the Fund (excluding foreign sub-custodian fees and charges).

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

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

## VALUATIONS AND EXITING FROM INVESTMENT

### 8. How often are valuations available?

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

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

You may request to redeem 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 10 days from the day the repurchase request is received by us and provided that all documentations are completed and verifiable.

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

## CONTACT INFORMATION

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

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



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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](http://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](http://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**

<b>Board</b>	Means the board of directors of Affin Hwang Asset Management Berhad.
<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 is open for trading.
<b>Deed</b>	Means the Deed dated 3 October 2002 as modified by the First Supplemental Deed dated 29 December 2005, the Second Supplemental Deed dated 18 June 2007, the Third Supplemental Deed dated 23 September 2008, the Fourth Supplemental Deed dated 20 November 2008, the Fifth Supplemental Deed dated 18 January 2012 and the Sixth Supplemental Deed dated 27 June 2014 entered into between the Manager and the Trustee.
<b>deposit(s)</b>	Means fixed deposit.
<b>EMIS</b>	EPF Members' Investment Scheme.
<b>EPF</b>	Employees Provident Fund.
<b>financial institutions</b>	Means (a) if the institution is in Malaysia: (i) a licensed bank; (ii) a licensed investment bank; or (iii) a licensed Islamic bank; (b) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
<b>Fund</b>	Refers to the Affin Hwang Aiman Growth Fund.
<b>IUTA</b>	Institutional Unit Trust Advisers.
<b>Manager/AHAM</b>	Refers to Affin Hwang Asset Management Berhad.
<b>medium to long term</b>	Means a period between three (3) years to more than five (5) years.
<b>MYR</b>	Ringgit Malaysia.
<b>NAV per Unit</b>	Means the Net Asset Value of the Fund at a particular valuation point divided by the total number of Units in Circulation at that point.
<b>Net Asset Value or NAV</b>	Means the value of all the Fund's assets less the value of all the Fund's liabilities at the valuation point. <i>For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund should be inclusive of the management fee and the trustee fee for the relevant day.</i>
<b>Prospectus</b>	Means the prospectus for the Affin Hwang Aiman Growth Fund.
<b>Repurchase Charge</b>	Means a charge imposed pursuant to a repurchase request.
<b>Sales Charge</b>	Means a fee imposed pursuant to a purchase request.
<b>SC</b>	Means the Securities Commission of Malaysia established under the Securities Commission Act 1993.
<b>Shariah</b>	Means Islamic law comprising the whole body of rulings pertaining to human conducts derived from the primary and secondary sources of the Shariah. The primary sources are the Quran, the Sunnah, Ijma' and Qiyas while the secondary ones are those established sources such as Maslahah, Istihsan, Istishab, 'Uruf and Sadd Zara'ie.
<b>Shariah Adviser or Amanie</b>	Refers to Amanie Advisors Sdn Bhd.
<b>Shariah requirements</b>	Means a phrase or expression which generally means making sure that any human conduct must not involve any elements which are prohibited by the Shariah and that in performing that conduct all the essential elements that make up the conduct must be present and each essential element must meet all the necessary conditions as required by the Shariah for that element.
<b>Shariah requirements</b>	Means a phrase or expression which generally means making sure that any human conduct must not involve any elements which are prohibited by the Shariah and that in performing that conduct all the essential elements that make up the conduct must be present and each essential element must meet all the necessary conditions as required by the Shariah for that element.
<b>Trustee</b>	Refers to HSBC (Malaysia) Trustee Berhad.

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<b>Unit Holders, you</b>	Means the person for the time being who, in full compliance to the relevant laws and under the Deed, is registered pursuant to the Deed as a holder of Units of the Fund, including a jointholder.
<b>Unit or Units</b>	Means a measurement of the right or interest of a Unit Holder in the Fund.
<b>Units in Circulation</b>	Means Units created and fully paid for and which has not been cancelled. It is the total number of Units issued at a particular valuation point.

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