

PRODUCT HIGHLIGHTS SHEET

for

AHAM Select Dividend Fund *(Formerly known as Affin Hwang Select Dividend Fund)*

Date of issuance: 22 December 2023

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 AHAM Asset Management Berhad 199701014290 (429786-T) 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 AHAM Select Dividend Fund (“the Fund”) and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the AHAM 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.

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

AHAM SELECT DIVIDEND FUND

BRIEF INFORMATION ON THE PRODUCT

1. What is this product about?

AHAM Select Dividend Fund is an open-ended equity fund, issued and managed in-house by the Manager.

The Fund seeks to provide investors with a combination of regular income and capital growth over the medium to long term period.

PRODUCT SUITABILITY

2. Who is this product suitable for?

The Fund is designed for retail investors who prefer stable and regular investment returns, have moderate risk tolerance, prefer receiving regular income distribution, and seek medium to long term capital growth for their investments.

KEY PRODUCT FEATURES

3. What am I investing in?

Launch date	28 March 2011
Tenure	This Fund is an open-ended fund where there is no maturity date and the Fund may only be terminated in accordance with the terms of the Prospectus and the provisions of the Deed.
Benchmark	70% FTSE Bursa Malaysia Top 100 Index 30% MSCI AC Asia Pacific ex Japan High Dividend Yield Index
Investment strategy	<p>The Fund will focus on achieving its objective by investing in a portfolio consisting a minimum of 70% of its NAV in equities, while the remaining balance may be invested into debentures, money market instruments and deposits with Financial Institutions.</p> <p>As the Fund holds a domestic focus, we will maintain a minimum of 70% of the Fund's investments in the domestic market and holds the flexibility to invest up to 30% of its NAV in investments listed / issued in the Asia-Pacific region.</p> <p>The investment selection process will include dividend paying companies that are able to provide a steady income stream to the Fund. As such, we would adopt a bottom-up strategy where individual stock analysis forms the primary building blocks for portfolio construction and stock selection. The Fund focuses on higher dividend paying sectors where cash flows are more resilient towards the broader market environment, examples of which include utility companies. Similarly, the Fund will also look at selected lower dividend yielding stocks with prospects of growing its dividends to achieve an element of capital growth in addition to dividend yield on a total return basis. Key factors which are useful to the identification of such companies would include sales and profit growth, financial strength and gearing levels, capital expenditure levels as well as management commitment to rewarding shareholders via dividends or capital repayments. The dividends provided by these companies would be the primary source of income from which the Fund would then declare income distributions to you.</p> <p>The Fund intends to adopt a two-part approach whereby a portion of the Fund's investments will be focused towards stable and high-dividend yielding equities and the other portion will be invested in "the next dividend leaders". These are equities which we believe could, in the Medium term, potentially start paying high dividends or substantially increase the existing dividend payouts. The determination of proportion between the two parts will be driven by</p>

prevailing opportunities in the markets and premised on achieving the overall Fund's objective of providing regular income (as a priority) and capital growth over the medium to long term. However, as the Fund's primary objective is to provide regular income, there is a natural bias towards holding more of the stable and high dividend yielding equities.

While the Fund's core investments will remain in equities, the Fund holds the option to invest in fixed income instruments such as debentures, money market instruments and deposits. The selection of fixed income instruments will depend largely on its credit quality where the respective issuers will have strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.

To achieve its objective, the Fund will also have the flexibility to invest in unlisted securities, warrants as well as collective investment schemes.

Foreign Investment

The Fund may invest up to 30% of its NAV in investments listed / issued in foreign markets. The decision to invest in foreign equities will be opportunistically driven where the Manager would seek out attractive dividend equities that could provide potential to enhance the returns of the Fund. The Fund will only invest in countries which are eligible markets.

Derivatives

Derivative 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. Swaps, whereas, is an agreement to swap or exchange two financial instruments between two parties.

The intention of hedging is to preserve the value of the asset from any adverse price movements. For example, to hedge against foreign currency exchange risk, the Fund may enter into a currency forward contract to offset any adverse foreign currency movements by determining an agreed rate for an agreed tenure with its counterparty. While the hedging transactions will assist with 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 hold the option to 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 deposits with Financial Institutions or money market instruments.

Asset allocation

Asset Class	% of the Fund's NAV
Equities	70% - 100%
Debentures, money markets instruments and deposits	0% - 30%

Distribution policy

The Fund will distribute income (subject to income availability), on a semi-annual basis after the end of its first financial year.

Minimum initial investment*	MYR 1,000
Minimum additional investment*	MYR 100
Minimum repurchase amount*	2,000 units
Minimum holding of units*	2,000 Units

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

4. Who am I investing with?

Relevant parties' information:

The Manager	AHAM Asset Management Berhad
The Trustee	CIMB Islamic Trustee Berhad

5. What are the possible outcomes of my investment?

The Fund is an equity fund that invests mainly in the local equity market. The performance of the Fund would be dependent on the equity markets that are investable by the Fund. The Fund's performance is reliant on the Manager's expertise in managing the Fund to meet its objective.

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

Subject to the availability of income, the Fund will distribute income on a semi-annual basis.

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 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.
- **Manager's 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, fraud, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
- **Inflation risk** – This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.

* At our discretion, we may reduce the transaction value and Units, including for transactions made via digital channels, subject to terms and conditions disclosed in the respective channels.

- **Loan / financing risk** – This risk occurs when you take a loan/financing to finance your investment. The inherent risk of investing with borrowed/financed money includes you being unable to service the loan/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/financing.
- **Operational risk** – This risk refers to the possibility of a breakdown in our internal controls and policies. The breakdown may be a result of human error, system failure or fraud where our employees collude with one another. This risk may cause monetary loss and/or inconvenience to you. We will regularly review our internal policies and system capability to mitigate this risk. Additionally, we maintain a strict segregation of duties to mitigate instances of fraudulent practices amongst our employees.
- **Liquidity risk** – Liquidity risk refers to two scenarios. The first is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the 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 an event and in the best interest of the Unit Holders, the Trustee may suspend the repurchase of Units requests.
- **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. 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.

Specific risks

- **Stock specific risk** – Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the Fund's NAV.
- **Credit and default risk** – Credit risk relates to the creditworthiness of the issuers of the debentures or 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 the Financial Institution may impact the value as well as liquidity of the investment. In the case of rated investment, 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 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.
- **Country risk** – Investments of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests in. 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.
- **Warrants investment risk** – The value of the warrants will depend on the pricing of the underlying security whereby the growth and performance prospect of the underlying security would consequentially affect the value of the warrants. In addition, the value of the warrants may decrease exponentially as the warrants approach its maturity date and the potential gains from a favourable price movement of the underlying may be offset by aggressive time decay. We may consider unwinding these warrants if there are material adverse changes to its value with the aim to mitigate the risk.
- **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.

- **Political risk** – Changes in political environment can directly or indirectly impact investments of the Fund. For example, political instability that leads to social unrest could lead to disruption of economic activity which may impact the Fund's investments in that country. A change in government policies could also impact the Fund's investments. There is no requirement that a new government must be pro investment or that the existing government shall have the same investment policies in perpetuity. For example, a government may impose a moratorium on foreign investments in favour of nationalisation and this political decision may cause the Fund having to liquidate their investments at a less than ideal price or below market price.
- **Regulatory risk** – So long as the Fund continues to invest in a particular country, the Fund will be exposed to changes in the regulatory regime of that country. Changes in the national or economic policies or regulations of that country may have adverse effects on the capital market of that country. As such, it could adversely impact the Fund's investments in that country. An example of a regulatory regime that changes constantly is in respect of tax treatment of investment income. Investors should not presume that the tax treatment of a particular investment will be the same in perpetuity. A change in the tax treatment of an investment of the Fund may affect the Fund in a positive or a negative way. An increase in the tax treatment of a particular investment would mean lower returns for the Fund and vice versa. To mitigate the impact of regulatory risk, the Manager will seek to keep abreast of regulatory developments in that country that may potentially affect the investments of the Fund and attempt to pre-empt such changes and their potential impact to the Fund. Regulatory risk is also related to country and political risk.

Note: Please refer to the Prospectus 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 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.

FUND PERFORMANCE

Average Total Return

	1 Year (1/10/22 – 30/9/23)	3 Years (1/10/20 – 30/9/23)	5 Years (1/10/18 – 30/9/23)	10 Years (1/10/13 – 30/9/23)	Since Commencement (18/4/11 – 30/9/23)
Fund	6.36%	2.23%	2.91%	5.15%	6.67%
Benchmark	8.34%	0.95%	-2.43%	-0.55%	0.91%

Source: Bloomberg

Annual Total Return

Financial Year End	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	6.36%	-11.93%	14.06%	8.91%	-0.80%	1.59%	15.75%	9.80%	-0.99%	11.95%
Benchmark	8.34%	-11.54%	7.36%	-5.53%	-9.05%	0.16%	8.71%	7.25%	-10.04%	1.90%

Source: Bloomberg

For the period 1 October 2022 to 30 September 2023, the Fund registered a 6.36% return compared to the benchmark return of 8.34%. Since commencement, the Fund has registered a return of 123.56% compared to the benchmark return of 12.01%, outperforming by 111.55%.

Basis of calculation and assumption made in calculating the returns:

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

An illustration of the above would be as follow:-

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

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

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

Income Distribution

Financial Year End	30 September 2023	30 September 2022	30 September 2021
Gross distribution per Unit (sen)	1.25	2.00	3.50
Net distribution per Unit (sen)	1.25	2.00	3.50

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	30 September 2023	30 September 2022	30 September 2021
PTR (times)	0.87	0.75	1.04

The PTR of the Fund was higher than previous year due to increased trading activities during the financial year.

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?

Sales charge	Up to 5.50% of the NAV per Unit. <i>Investors may negotiate for a lower sales 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.
Repurchase charge	There will be no Repurchase Charge levied on any repurchase of Units of the Fund.
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.
Transfer fee	There will be no transfer fee imposed on the transfer facility.

What are the key ongoing fees charged to the Fund?

Management fee	Up to 1.50% per annum of the NAV of the Fund (before deducting the management fee and trustee fee).
Trustee fee	Up to 0.08% per annum of the NAV of the Fund (excluding foreign custodian fees and charges) (before deducting the management fee and trustee fee).

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.aham.com.my, our customer service via our toll free number 1-800-88-7080 or email to customercare@aham.com.my.

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

You may request to redeem your investments in the Fund at any point in time by completing the repurchase application form and returning it to us on any Business Day between 8.45 a.m. and 3.30 p.m. Payments will be made to you within seven (7) Business 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 for onward crediting to your EPF account. If you are above the age of fifty five (55) 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@aham.com.my
- (e) via letter : AHAM 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 Consumer & Investor Office:

- (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 : Consumer & Investor Office
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 – 2092 3800
- (b) via fax to : 03 – 2093 2700
- (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

APPENDIX : GLOSSARY

Board	Means the board of directors of the Manager.
Bursa Malaysia	Means the stock exchange operated by the Bursa Malaysia Securities Berhad.
Business Day	Means a day on which the Bursa Malaysia and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading.
Deed	Refers to the deed dated 24 February 2011 as modified by the supplemental deed dated 18 January 2012, the second supplemental deed dated 1 July 2014, the third supplemental deed dated 7 January 2015, the fourth supplemental deed dated 19 December 2016, the fifth supplemental deed dated 5 October 2018 and the sixth supplemental deed dated 21 September 2022 relating to the Fund entered into between the Manager and the Trustee including any supplemental and variation thereto.
EMIS	Means EPF Members' Investment Scheme.
EPF	Means Employees Provident Fund.
Fund	Refers to the AHAM Select Dividend Fund. <i>(formerly known as Affin Hwang Select Dividend Fund)</i> .
long-term	Means a period of more than 5 years.
Manager or AHAM	Refers to AHAM Asset Management Berhad.
medium term	Means a period between 3 to 5 years.
MYR	Means Ringgit Malaysia.
Net Asset Value or NAV	Means the value of the Fund which is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the total number of Units in Circulation of the Fund in circulation at that valuation point.
Prospectus	Refers to the prospectus in respect of the Fund and includes any supplemental or replacement prospectus, as the case may be.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
Sales Charge	Means a charge imposed pursuant to a purchase request.
SC	Means Securities Commission Malaysia.
Trustee	Refers to CIMB Islamic Trustee Berhad.
Unit or Units	Means a measurement of the right or interest of a Unit Holder in the Fund including a fraction of a unit.
Units in Circulation	Means Units created and fully paid and which have not been cancelled. It is also the total number of Units issued at a particular valuation point.
Unit Holder, investors, you	Refers to the person/corporation registered as the holder of a Unit or Units including persons jointly registered.

Note: Reference to first person pronouns such as "we", "us" or "our" in this Product Highlights Sheet means the Manager/AHAM.