AFFIN HWANG
CAPITAL

Outthink. Outperform.

Asset Management

20 September 2017

Dear Valued Investors,

RE: Affin Hwang Select Asia (ex Japan) Quantum Fund

Greetings from Affin Hwang Asset Management Berhad!

We are pleased to inform you that the Affin Hwang Select Asia (ex Japan) Quantum Fund (the "Fund") is now open for subscription.

Reference is made to our communique in March 2017 where we had soft-closed the Fund and halted new subscription of units after the Fund saw a rapid growth of more than 90% in its Fund size within the 1st three months of 2017. We took a prudent step to temporarily halt new subscriptions, in the best interest of the investors, in a bid to avoid a cash drag as the Manager gradually deployed cash into the market.

Nevertheless, we have since normalised the Fund, which stands at an NAV of MYR 616 million as at 31 August 2017. We believe the strategy that we have taken for the Fund will continue to lead the Fund towards meeting its objective.

Over a 3-year period ending 31 August 2017, the Fund had recorded a return of 37%, translating to an annualised return of 11% per annum. Whereas, over a 5-year period the Fund has locked in a total of 105% returns, which translates to an annualised return of 15% per annum. *(Source: Affin Hwang Asset Management Berhad, as at 31 August 2017)*

We believe that it is an opportune time to remain invested, hence, will allow the Fund to accept new subscription of units from 2 October 2017 onwards.

Please do not hesitate to contact your Relationship Manager should you require further information. We thank you for your continued support, and look forward to be of service to you.

Thank you.

Yours faithfully,
For and on behalf of **Affin Hwang Asset Management Berhad**

Chan Ai Mei

Chief Marketing & Distribution Officer

Affin Hwang Asset Management Berhad (429786-T)
Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia
www.affinhwangam.com

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3 July 2017

Dear Valued Investor,

RE: Affin Hwang Select Asia (ex Japan) Quantum Fund
- Renewed Prospectus dated 18 July 2017

Greetings from Affin Hwang Asset Management Berhad!

We would like to inform you that a renewed Prospectus for the Affin Hwang Select Asia (ex Japan) Quantum Fund (the "Fund") would be made available to you effective 18 July 2017.

As part of our exercise, we have made adjustments to the disclosures within the Fund's Prospectus to provide better clarity to our investors. Reference can be made to the Appendix attached for details on the said adjustments.

We would like to reiterate that the underlying investment strategy for the Fund has not changed. We remain optimistic that the strategy will continue to lead the Fund to meet its investment objective over the medium to long-term investment horizon. Any changes in the disclosure will only take effect from the date of the Prospectus, which is 18 July 2017. Should you be uncomfortable with the changes, you are provided with an option to exercise a repurchase or a switching request before the effective date of the Prospectus. Proceeds from your repurchase, and value of your switching request will be based on the net asset value ("NAV") per unit on the day we receive your repurchase request.

We would like to take this opportunity to thank you for your support. Please contact your Relationship Manager should you require any further clarifications on the above.

Thank you.

Yours faithfully,
For and on behalf of **Affin Hwang Asset Management Berhad**

Chan Ai Mei
Chief Marketing & Distribution Officer

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APPENDIX: Adjustments made to disclosures within the Prospectus

Previous Disclosure	Current Disclosure
Investment Strategy	
Identifying Asian (ex-Japan) companies with strong growth potential The Fund will invest primarily in equity securities. The fundamental investment process will be geared towards identifying and investing mainly in growth companies in Asia (ex-Japan) with a market capitalisation of not more than USD1.5 billion (50%-99.8% of the NAV of the Fund) and USD3.0 billion (maximum 25% of the NAV of the Fund) respectively. These companies would have the potential to achieve strong rates of growth, as well as key investment and sectoral themes prevailing in the market at any period in time. The Fund may also invest in warrants, options and collective investment schemes for the purposes of, without limitation, cash management and gaining access into a particular market, industry or sector where such is the optimum mode of access. The Manager believes that there are companies in Asia (ex-Japan) that are not well followed by the investment community. Such companies could be involved in manufacturing, services or trading businesses that have the whole world as their market place. These companies could also be providing supporting roles to multinationals and larger companies domestically and around the world. The Fund believes that these companies if in the right businesses and managed by competent management, generally have higher earnings potential that may translate to better returns for investors. The better returns could also come from higher valuations being accorded to these companies as they start gaining attention from the broader investment community. Fundamental analysis will be conducted to determine the attractiveness of specific stock ideas and/ or sectoral themes. This analysis will take into account information gathered during company visits, key earnings drivers and earnings revision trends for the company, valuation relative to our estimates of intrinsic value as well as the competency of its management. Various tools will be used to facilitate the valuation process, including price over earnings ratio, the discounted cash flow model and enterprise value over earnings before interest, depreciation and taxation. The Fund also favours companies that practice good corporate governance, as they generally command higher market valuation and potentially better returns for investors over a medium investment horizon. As such, our policy on trading	The Fund will invest primarily in equity securities. The fundamental investment process will be geared towards identifying and investing in growth companies in Asia (ex Japan) with a market capitalization of not more than USD 1.5 billion at the time of investment. However, the Fund would also have an option to invest into companies with a market capitalization of not more than USD 3.0 billion at the time of investment which will be capped at no more than 25% of the NAV of the Fund. We believe that the companies within the Fund's investable universe are not well followed by the investment community. As such, finding companies that are in the right business, and managed by competent management could provide higher earnings potential that may translate to better returns to investors. This would stem from higher valuations being accorded to these companies as they start gaining attention from the broader investment community. Nevertheless, 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 the identification of such companies would include valuation tools such as price over earnings ratio, key earning drivers, the companies' corporate governance practice, as well as the competency of its management. While the Fund's core investments will remain in equities, the Fund holds the option to invest into fixed income instruments such as debentures, money market instruments and deposits. The selection of fixed income instrument will not be constrained by credit ratings of issuances. However, the selection will depend largely on its credit quality where the respective issuers display 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. We typically 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 by participating in investment opportunities that are set to benefit from prevailing market conditions, with the aim of boosting the Fund's performance. To achieve its objective, the Fund will also have the

Previous Disclosure	Current Disclosure
is that the Fund will maintain a portion of its portfolio in core holdings, i.e. holdings that it intends to hold over a medium to long-term investment horizon to capitalise growth potential from its investments. Similarly, we will also take advantage of shorter term trades to take advantage of market opportunities that may be beneficial for the Fund in meeting its objective. **Tactical Asset Allocation Strategy** The Manager believes opportunities to maximise returns will exist, irrespective of bull or bear market conditions. The Fund will practice a tactical asset allocation approach, where the Manager would have the flexibility to remain invested during periods of market upturn, or liquidate investments before values are eroded. The fund manager may reduce the risk of the portfolio by investing into fixed income instruments. Whilst the selection of stocks is based on fundamental analysis, timing of purchases and sales will be aided by technical analysis. The Fund remains focused on companies that have a business focus within the Asian (ex Japan) region. As such, investments will be made predominantly into Asian (ex Japan) markets, with a flexibility to invest not more than 30% of the Fund's NAV into companies with a business focus within the region but are listed outside of the Asia (ex Japan) region. Notwithstanding, investments will only be made into countries excluding Japan that are the ordinary or associate member of the International Organization of Securities Commissions (IOSCO). The Fund may invest in structured products, such as equity-linked notes (ELN). As the ELN's are structured by a third party, investments into these instruments will result in the Fund being exposed to structured products risk, as well as counterparty risk. Similarly, as the price of ELNs are generally linked to an underlying equity / basket of equities, the investments into these structured products will also expose the Fund to similar risks as investing into a direct equity i.e equity risks. While the Fund holds the option to invest into structured products, exposure into these instruments is not expected to be significant, relative to the size of the Fund. **Usage of Derivatives** The Fund may employ derivatives such as foreign exchange forward contracts, cross currency swaps, and futures contracts for hedging purposes. Foreign exchange forward contracts, cross currency swaps, and futures contracts could be used to hedge the principal and/or the returns of the foreign denominated investments back to the Fund's base currency.	flexibility to hold exposure in warrants as well as collective investment schemes that have similar investment objectives to the Fund. **Foreign Investments** The Fund remains focused on companies that have a business focus within the Asian (ex Japan) region. As such, investments will be made predominantly into Asian (ex Japan) markets, with a flexibility to invest not more than 30% of the Fund's NAV into companies with a business focus within the region but are listed outside of the Asia (ex Japan) region. Notwithstanding, investments will only be made into countries excluding Japan that are the ordinary or associate member of the International Organization of Securities Commissions (IOSCO). **Derivatives** Derivative trades may be carried out for hedging purposes through financial instruments including, but not limited to, forward contracts, futures contracts and swaps. Future 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 protect 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 these hedging transactions would protect the Fund against potential losses, trades for hedging purposes would also limit the returns that the Fund may have potentially received from foreign exchange gains would the Fund not have hedged its foreign currency exposure. **Temporary Defensive Position** We hold the option to take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation to protect the Fund against adverse market conditions that may impact financial markets. To manage the risk of the Fund, we may shift the Fund's focus and exposure into lower risk investments such as deposits or money market instruments.

Previous Disclosure	Current Disclosure
Risk	
	Credit and default risk Credit risk relates to the creditworthiness of the issuers of the debentures or money market instruments (hereinafter referred as "investment") 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 investment, 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** This risk refers to the impact of interest rate changes on the valuation of debentures or money market instruments (hereinafter referred as "investment"). When interest rates rise, the investment prices generally decline and this may lower the market value of the investment. The reverse may apply when interest rates 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.
Permitted Investments While there have been no significant changes in the type of instruments permitted, adjustments have been made for clarity purposes.	
The Funds may invest in the following investments subject to the Guidelines, SC requirements and all relevant laws and in accordance with the Funds' objective:- (a) Securities of companies listed on Bursa Malaysia and any other exchanges of countries who are members of IOSCO; (b) Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities; (c) Fixed deposit and money market deposits with commercial banks and investment banks; (d) Other money market instruments such as negotiable certificates of deposits and bankers acceptance;	The Funds may invest in the following investments subject to the Guidelines, SC requirements and all relevant laws and in accordance with the Funds' objective:- ➢ Securities of companies listed on Bursa Malaysia and any other exchanges of countries who are members of International Organization of Securities Commissions ➢ Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities ➢ Debentures ➢ Money market instruments ➢ Deposits

Previous Disclosure	Current Disclosure
(e) Government bonds, treasury bills and other government approved or guaranteed bonds; (f) Debentures including private debt securities and bonds; (g) Financial derivatives, for the purpose of hedging only; (h) Structured Product; (i) Warrant; (j) Units/shares in collective investment schemes, both local and foreign; (k) Securities in foreign markets where the SC has permitted the foreign markets for investment from time to time; and (l) Any other form of investments permitted by the SC which is in line with the objective of the Funds.	➢ Derivatives, for the purpose of hedging only ➢ Warrants ➢ Structured products ➢ Units or shares in collective investment schemes ➢ Any other form of investments as may be permitted by the SC from time to time which are in line with the objective of the Fund