

# RHB ASIAN GROWTH OPPORTUNITIES FUND

## RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of RHB Asset Management Sdn Bhd ("RHBAM") and they have collectively and individually accepted full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

## STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of RHB Asian Growth Opportunities Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the RHB Asian Growth Opportunities Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the RHB Asian Growth Opportunities 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 RHBAM responsible for the RHB Asian Growth Opportunities 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.

## PRODUCT HIGHLIGHTS SHEET

**This Product Highlights Sheet only highlights the key features and risks of RHB Asian Growth Opportunities Fund. Investors are advised to request, read and understand the Fund's prevailing prospectus and its supplementary(ies) (if any) before deciding to invest.**

<b>Name of Fund</b>	RHB Asian Growth Opportunities Fund ("Fund").	<b>Fund Category</b>	Feeder fund.
<b>Manager</b>	RHB Asset Management Sdn Bhd.	<b>Launch Date</b>	8 January 2008.
<b>Trustee</b>	HSBC (Malaysia) Trustee Berhad.	<b>Financial Year End</b>	31 December.

## PRODUCT SUITABILITY

This Fund is suitable for investors who:

- (i) seek investment opportunities in the small cap securities in the Asian (excluding Japan) region;
- (ii) wish to invest in small capitalisation stocks and stock-related securities; and
- (iii) are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term\*.

## KEY PRODUCT FEATURES

### INVESTMENT OBJECTIVE

This Fund aims to achieve long term\* capital growth by investing primarily in small capitalisation stocks and stock-related securities issued by corporations in the Asia Pacific region (excluding Japan).

*Note: \* "long term" in this context refers to a period of between 5 - 7 years.*

### INVESTMENT STRATEGY

The Fund seeks to achieve its investment objective by investing in a target fund. The Fund will invest principally in one of the funds managed by UOB Asset Management Ltd, Singapore ("UOBAM") that is the United Asian Growth Opportunities Fund ("UAGOF"). UAGOF launched on 15 June 2004 is a collective investment scheme constituted in Singapore. Both UOBAM and UAGOF are regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore. UAGOF invests a large part of its assets in companies whose market capitalisation is lower than the market capitalisation of the 50<sup>th</sup> percentile constituent company of a recognised Asia Pacific ex Japan index ("Index") which may or may not be constituent stocks of the Index. Investors should note that the Index used may be different from the benchmark against which the performance of the target fund, UAGOF is measured, namely, the MSCI AC Asia Pacific ex Japan Mid Cap Index. Currently the Index

## KEY PRODUCT FEATURES

used by the target fund, UAGOF is the MSCI AC Asia Pacific ex Japan Small Cap Index. The 50<sup>th</sup> percentile market capitalisation was set to ensure UAGOF invests in small capitalisation stocks. Currently, the indicative limit (50<sup>th</sup> percentile market capitalisation) is between US\$6 billion and US\$7 billion (as at 15 October 2015), hence UAGOF can purchase any stock with market capitalisation below this limit. Such market capitalisation limit which is subject to change will only be observed at the time of investment in a company. The 50<sup>th</sup> percentile market capitalisation is used instead of an absolute number to determine the limit so as to allow for the effect of asset inflation on the prices of stocks over time.

In managing UAGOF's mandate there are restrictions on purchases of core benchmark component stocks unlike other types of growth funds where there are no restrictions. UAGOF cannot purchase key benchmark stocks due to the market cap limit, hence the benchmark is used as a guide.

Thus, this Fund's portfolio will be structured as follows:

At least 95% of Net Asset Value ("NAV") - Investments in the units of UAGOF.

2% - 5% of NAV - Investments in liquid assets including money market instruments and deposits with financial institutions.

Although the Fund is passively managed, the investments in the Fund will be rebalanced from time to time to meet sales and redemptions and to enable the proper and efficient management of the Fund.

The Manager does not adopt a temporary defensive position for the Fund in response to adverse market, economic, political, or any other conditions as such defensive strategies are expected to be implemented at the target fund level, i.e. UAGOF when deemed necessary by UAGOF's manager.

The Manager does not adopt any temporary defensive position for the Fund as this will allow the Fund to best track the performance of UAGOF. It also follows that if UAGOF fails to adopt a successful defensive position in response to adverse market and economic conditions, there is a risk that the Fund will mirror UAGOF's negative performance, if any. Also, investors should note that at all times the Fund is always subject to currency risk. This Fund is a feeder fund that invests at least 95% of its NAV in UAGOF. The risk management strategies and techniques employed will be at the UAGOF level with its investment strategy that involves diversification among its asset allocation of small capitalisation stocks as well as diversification across the Asian markets (excluding Japan).

Notwithstanding the above, the Manager may, in consultation with the Trustee and with the unit holders of the Fund ("Unit Holder(s)") approval, replace UAGOF with another fund of a similar objective if, in the Manager's opinion, UAGOF no longer meets this Fund's investment objective, or when acting in the interest of the Unit Holders.

## BENCHMARK

With effect from 31 August 2018, the Fund's performance benchmark was changed to 70% MSCI AC Asia Pacific ex Japan Small Cap Index and 30% MSCI AC Asia Pacific ex Japan Mid Cap Index.

*Note: Prior to 31 August 2018, the Fund's performance benchmark was MSCI AC Asia Pacific ex Japan Mid Cap Index (RM).*

## DISTRIBUTION

**DISTRIBUTION POLICY** - Consistent with the Fund's objective to achieve long term\* capital appreciation, distributions will therefore be of secondary importance. Distributions, if any, after deduction of taxation and expenses, will be reinvested.

*Note: \* "long term" in this context refers to a period of between 5 - 7 years.*

**DISTRIBUTION MODE** - Distributions, if any, after deduction of taxation and expenses (i.e. net distribution), will be reinvested to purchase additional units of the Fund based on the NAV per unit as at the first Business Day when units in the Fund are quoted ex-entitlement. Allotment of such units shall be within two (2) weeks thereafter.

## KEY RISKS

As this Fund invests at least 95% of its NAV in the target fund, UAGOF, it is subject to the management risk of the management company and investment manager of UAGOF. Poor management of UAGOF will jeopardize the investment of this Fund in UAGOF and in turn, the Unit Holders' investment through the loss of capital invested in this Fund.

In addition, as UAGOF is denominated in Singapore Dollars and is domiciled in Singapore, this Fund may be subject to currency and country risk. Changes in rates of exchange between currencies may cause the value of this Fund's investment in UAGOF to diminish or increase which in turn will affect

## KEY RISKS

the value of Unit Holders' investments.

The Fund's investments in UAGOF may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in Singapore. Furthermore, investments of UAGOF are subject to the following risks:

- *Market risk*
- *Small capitalisation companies risk*
- *Actions of institutional investors*
- *Foreign exchange risk*
- *Single country, sector and regional risk*
- *Broker risk*
- *Political risk*
- *Financial institution risk*
- *Counterparty risk*
- *Derivatives risk*
- *Equity risk*
- *Liquidity risk*
- *Exceptional market conditions risk*

These specific risks of the UAGOF are elaborated in the Fund's prevailing prospectus and its supplementary(ies) (if any).

## FUND PERFORMANCE

The Fund has been in operation since 8 January 2008 and its financial year end is 31 December. Effective from 1 February 2011, the Fund changed its benchmark of MSCI AC Asia Pacific Ex-Japan Small Cap Index (RM) to MSCI AC Asia Pacific ex Japan Mid Cap Index (RM) which better reflects the investment strategy of the Fund. This benchmark was used in all performance reporting.

With effect from 31 August 2018, the Fund's performance benchmark was changed to 70% MSCI AC Asia Pacific ex Japan Small Cap Index and 30% MSCI AC Asia Pacific ex Japan Mid Cap Index.

The benchmark chosen for the Fund is to better reflect the investment strategy and focus of the Fund which is to invest primarily in small capitalisation stocks with the remaining of its assets to invest in mid capitalisation stock.

### AVERAGE TOTAL RETURNS OF THE FUND

Average total returns for the following periods ended 31 December 2021

	1 Year	3 Years	5 Years	10 Years
RHB Asian Growth Opportunities Fund (%)	7.75	12.65	5.00	7.86
Benchmark^ (%)	13.36	13.50	8.75	9.05

### ANNUAL TOTAL RETURNS OF THE FUND

Annual total returns for the following financial years ended 31 December

	2021	2020	2019	2018	2017
RHB Asian Growth Opportunities Fund (%)	7.75	24.77	6.36	-20.05	11.68
Benchmark^ (%)	13.36	15.14	12.07	-13.33	20.42
	2016	2015	2014	2013	2012
RHB Asian Growth Opportunities Fund (%)	5.31	10.57	2.28	17.34	19.54
Benchmark^ (%)	5.70	7.79	6.43	7.17	13.79

For the latest financial year, the Fund recorded a return of 7.75% while its benchmark recorded a return of 13.36%.

Source: Lipper IM, 12 January 2022. ^ The benchmark of the Fund: MSCI AC Asia Pacific Ex-Japan Small Cap Index (RM) from 28/01/2008 – 31/01/2011; MSCI AC Asia Pacific ex Japan Mid Cap Index (RM) from 01/02/2011 – 30/08/2018; and 70% MSCI AC Asia Pacific ex Japan Small Cap Index and 30% MSCI AC Asia Pacific ex Japan Mid Cap Index from 31/08/2018 onwards. The abovementioned Fund performance is computed on NAV to NAV basis and has been adjusted to reflect distributions payments and unit splits, if any.

## FUND PERFORMANCE

### PORTFOLIO TURNOVER RATIO (“PTR”)

PTR (times)	Financial Year Ended 31 December		
	2021	2020	2019
	0.07	0.34	0.18

The PTR for the latest financial year was lower compared with the previous financial year due to lesser investment activities for the latest financial year.

### DISTRIBUTION RECORD

	Financial Year Ended 31 December		
	2021	2020	2019
Gross distribution per unit (sen)	-	-	-
Net distribution per unit (sen)	-	-	-

For the latest financial year, no distribution has been proposed by the Fund.

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

### FEES & CHARGES

*This table describes the charges that you may directly incur when you buy or redeem units of this Fund:*

#### Charges

Sales charge <sup>1</sup>	Up to 5.00% of investment amount.
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An investor can expect differing sales charge to be levied when buying Units from the various distribution channels and within each distribution channel (i.e. directly from the Manager or from any of its authorised sales agents or participating Institutional Unit Trust Scheme Advisers (“IUTAs”) or Corporate Unit Trust Scheme Advisers (“CUTAs”)), subject to the maximum sales charge stipulated herein. This is due to the different levels of services provided by each distribution channel and/or the size of the investment undertaken.

Repurchase charge	None.
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Dilution fee or transaction cost factor	None.
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#### Any other charges payable directly by the investors

Switching fee <sup>1</sup>	RM25.00 per switch or the difference in sales charge which is deductible from the redemption amount of the units to be switched, where applicable.
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Transfer fee <sup>1</sup>	RM5.00 per transfer.
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*This table describes the fees that you may indirectly incur when you invest in the Fund:*

#### Fees and Expenses

Annual management fee <sup>1</sup>	1.80% per annum of NAV before deducting the Manager’s and Trustee’s fees for that particular day. There is no <b>DOUBLE CHARGING OF MANAGEMENT FEE</b> . This means that the Unit Holders will incur <b>ONLY ONE MANAGEMENT FEE and ONLY AT THE FUND’S LEVEL</b> .
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Annual trustee fee <sup>1</sup>	Up to 0.08% per annum of NAV before deducting the Manager’s and Trustee’s fees for that particular day.
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Expenses directly related to the Fund	Auditors’ fees, custodial charges, other relevant professional fees, cost of distribution of interim and annual reports, tax certificates, reinvestment statements and other notices to Unit Holders, and taxes.
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Other fees payable indirectly by an investor (if any)	None levied by the Manager. However, as the Fund will invest in units of UAGOF, there are also fees indirectly incurred by this Fund such as annual trustee remuneration, audit fee, custodian fee and other fees and charges which are incurred at the UAGOF level.
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## FEES & CHARGES

*1 All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.*

*Note: The Manager may, for any reason at any time, waive or reduce the amount of its management fee or all charges directly payable by the Unit Holder and/or investor in respect of the Fund, either generally (for all Unit Holders and/or investors) or specifically (for any particular Unit Holder and/or investor) and for any period or periods of time at its absolute discretion.*

## TRANSACTION INFORMATION

Minimum initial investment	RM1,000 or such other amount as the Manager may from time to time accept.
Minimum additional investment	RM100 or such other amount as the Manager may from time to time accept.
Minimum repurchase units	Any number of units.
Restriction on frequency of repurchase	No restrictions.
Switching facility and frequency of switching	Available. Minimum amount for a switch is RM1,000. There are no restrictions as to the number of switches or the frequency of switching. Minimum investment balance at all times must be one hundred (100) units after the switch.
Minimum investment balance	100 units or such other lower quantity as the Manager may from time to time decide.
Transfer facility	Available. In the event of a partial transfer, both the transferor and the transferee must each hold a minimum investment balance of one hundred (100) units after the transfer.
Redemption period	Redemption monies to be paid within ten (10) days after receipt by the Manager of the request to repurchase.
Cooling-off period	Unit Holders have the right to request for a refund of their investment within six (6) business days <sup>#</sup> which shall be effective from the date of receipt of the application by the Manager, subject to eligibility. <i><sup>#</sup> These are the working days when the Manager is open for business.</i>
Business Day	A day in which the Bursa Malaysia is open for trading and (i) a day which is a business day in Singapore (i.e. a day other than Saturdays, Sundays and public holidays); and (ii) a day which is a dealing day as defined in the prevailing prospectus of the UAGOF.
Dealing hours	9:00 a.m. to 4:00 p.m. (Malaysia time) on any Business Day or such later time as the Manager may determine provided always that complete applications for the Fund are received before the next valuation point.

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

## VALUATIONS AND EXITING FROM INVESTMENT

### VALUATION OF ASSETS

The Fund must be valued at least once every Business Day. However, certain foreign markets in which the Fund may invest in have different time zones from that of Malaysia. Accordingly, the valuation of the Fund for a Business Day will be conducted before 5:00 p.m. on the following day in which the Manager is open for business, when the closing prices of the foreign markets for that Business Day would be available. As such, the daily price of the Fund for a particular Business Day will not be published in the major newspapers on the next day but will instead be published the next following day (i.e. the price will be two (2) days old). This will be specifically indicated in the major newspapers. Investors may however obtain the most current computed price by contacting the Manager directly or visiting our website, [www.rhbgroup.com](http://www.rhbgroup.com).

## VALUATIONS AND EXITING FROM INVESTMENT

### EXITING FROM THIS INVESTMENT

Units of the Fund can be redeemed by forwarding the completed form of request to repurchase to the Manager's principal office or any of its branch offices, or to any of its authorised sales agents or participating IUTAs before their respective cut-off times. The redemption monies will be paid within ten (10) days after receipt by the Manager of the request to repurchase.

For partial redemption, the balance of units of the Fund held after the redemption must be at least one hundred (100) units or such other lower quantity as the Manager may from time to time decide (the "minimum investment balance").

There are no restrictions on the number of units a Unit Holder can redeem out of his investments or the frequency of redemptions in a year. However, the Manager shall not be bound to comply with any request for redemption of units if the balance of units held after the redemption is less than the minimum investment balance.

### CONTACT INFORMATION

To contact the Manager or to find out about the distribution channels of the Fund, you may call us at 1-800-88-3175 at any time during office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. or e-mail your enquiries to [rham@rhbgroup.com](mailto:rham@rhbgroup.com).

#### HOW DO YOU LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:

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|---|--|--------------------------------------|
| ❖ <b>via phone to:</b><br>03-9205 8000  | ❖ <b>via Unit Holders Services</b><br><b>Toll-Free Hotline at:</b> 1-800-88-3175 | ❖ <b>via fax to:</b><br>03-9205 8100 |
| ❖ <b>via e-mail to:</b> <a href="mailto:rham@rhbgroup.com">rham@rhbgroup.com</a>  | ❖ <b>via website to:</b> <a href="http://www.rhbgroup.com">www.rhbgroup.com</a>  |                                      |
| ❖ <b>via letter to:</b> RHB Asset Management Sdn Bhd, Level 8, Tower 2 & 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur |  |                                      |

2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):

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| ❖ <b>via phone to:</b><br>03-2282 2280   | ❖ <b>via fax to:</b><br>03-2282 3855 | ❖ <b>via e-mail to:</b><br><a href="mailto:info@sidrec.com.my">info@sidrec.com.my</a> |
| ❖ <b>via letter to:</b> 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 Securities Commission Malaysia even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the Securities Commission Malaysia's Consumer & Investor Office:

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| ❖ <b>via phone to the Aduan</b><br><b>Hotline at:</b> 03-6204 8999   | ❖ <b>via fax to:</b><br>03-6204 8991 | ❖ <b>via e-mail to:</b><br><a href="mailto:aduan@seccom.com.my">aduan@seccom.com.my</a> |
| ❖ <b>via online complaint form available at:</b> <a href="http://www.sc.com.my">www.sc.com.my</a>  |                                      |   |
| ❖ <b>via letter to:</b> Consumer & Investor Office, Securities Commission Malaysia, No 3 Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur. |                                      |   |

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

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| ❖ <b>via phone to:</b><br>03-2092 3800   | ❖ <b>via fax to:</b><br>03-2093 2700 | ❖ <b>via e-mail to:</b><br><a href="mailto:complaints@fimm.com.my">complaints@fimm.com.my</a> |
| ❖ <b>via online complaint form available at:</b> <a href="http://www.fimm.com.my">www.fimm.com.my</a>  |                                      |   |
| ❖ <b>via letter to:</b> Legal, Secretarial & Regulatory Affairs, Federation of Investment Managers Malaysia, 19-06-1, 6 <sup>th</sup> Floor Wisma Tune, No. 19 Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur. |                                      |   |