

RHB KLCI TRACKER FUND

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of RHB Asset Management Sdn Bhd and they collectively and individually accept 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 KLCI Tracker Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the RHB KLCI Tracker Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the RHB KLCI Tracker 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, the management company responsible for the RHB KLCI Tracker 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 KLCI Tracker Fund. Investors are advised to request, read and understand the Fund's prevailing prospectus and its supplementary(ies) (if any) before deciding to invest.

Name of Fund	RHB KLCI Tracker Fund ("Fund").	Fund Category	Equity / Index tracking fund.
		Fund Type	Growth.
Manager	RHB Asset Management Sdn Bhd.	Launch Date	3 April 2000.
Trustee	HSBC (Malaysia) Trustee Berhad.	Financial Year End	31 March.

PRODUCT SUITABILITY

This Fund is suitable for investors who seek equity market returns as measured by the benchmark FTSE Bursa Malaysia Kuala Lumpur Composite Index ("FBM KLCI") and prefer passive investment management. These investors are willing to accept high risk in their investments in order to obtain capital growth over a short to medium term* period.

*Note: "short to medium term" in this context refers to a period of between 1 - 3 years.

KEY PRODUCT FEATURES

INVESTMENT OBJECTIVE

This Fund aims to provide investment results that closely correspond to the performance of the Kuala Lumpur Composite Index ("KLCI") or such other index as may be replaced by Bursa Malaysia Securities Berhad.

Note: Effective 6 July 2009, Bursa Malaysia Securities Berhad replaced the KLCI with the FBM KLCI.

INVESTMENT STRATEGY

This Fund seeks to achieve its investment objective by investing all or substantially all of the Fund's assets in the FBM KLCI component stocks in substantially the same weightings as they appear in the FBM KLCI.

The FBM KLCI is an index that provides a performance benchmark for the Malaysian equity market by reflecting the performance of listed companies that are representative of the major sectors in the Malaysian economy. The FBM KLCI is an index of the thirty (30) largest companies listed on the Main Market by full market capitalisation that meet the eligibility requirements of the FTSE Bursa Malaysia Ground Rules. The FBM KLCI index is calculated by FTSE based on its own specific calculation methodology and rules. Therefore, any error or non-adherence to these calculation methodology and rules may affect the accuracy and/or completeness of the FBM KLCI Index computation. Investors may obtain more information about the FBM KLCI's calculation methodology and rules from the stock exchange managed and operated by Bursa Malaysia Securities Berhad ("Bursa Malaysia")'s website: www.bursamalaysia.com.

Generally, the Fund will invest in all of the thirty (30) component stocks of the FBM KLCI. To the extent consistent with achieving its investment objective, the Fund may also participate in FBM KLCI futures. Although this Fund is passively managed, the investments in the Fund will be rebalanced from time to time to reflect any changes to the composition of or the weightings of shares in the FBM KLCI. Accordingly, a daily analysis of the portfolio is conducted to ensure that:

- Tracking errors are within expectations;
- Stocks continue to be within the perimeters of the FBM KLCI component stocks;
- Investment weightings are within the tolerance limit, otherwise rebalancing of the portfolio is required; and
- Cash is properly hedged.

This Fund seeks to achieve its investment objective by structuring a portfolio as follows:

90% - 99.5% of Net Asset Value ("NAV") - Investments in the FBM KLCI component stocks.

0% - 10% of NAV - Participation in financial derivatives.

0.5% - 10% of NAV - Investments in liquid assets including money market instruments and deposits with any financial institutions.

Tracking errors against the benchmark FBM KLCI may occur due to the necessity of the Fund to set aside some liquid funds which would otherwise be invested to achieve 100% weightage. Another contributing factor to the tracking errors are the fees and expenses payable by the Fund and transaction costs incurred in rebalancing the portfolio. As such, the risk management strategies and techniques employed by the Manager include the use of financial derivatives to replicate the benchmark FBM KLCI and the constant rebalancing of the portfolio. The Fund also complies with the permitted investments and restrictions imposed by the Securities Commission Malaysia. Moreover, the Manager in making its investment decisions shall at all times comply with the investment restrictions of the Fund and requirements as set out in the deed of the Fund.

BENCHMARK

FBM KLCI.

DISTRIBUTION

DISTRIBUTION POLICY - Consistent with the Fund's objective to achieve capital growth, distributions will therefore be of secondary importance. Distributions, if any, after deduction of taxation and expenses, are generally declared annually and will be reinvested.

DISTRIBUTION MODE - Distribution, 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. No transaction fee will be imposed for any reinvestment of distribution into the Fund.

KEY RISKS

As the Fund tracks the performance of the FBM KLCI, it may be subject to the Bursa Malaysia market volatility and therefore pose a higher level of risk than a portfolio diversifying its holdings across several markets and economies. Changes in the NAV are unlikely to exactly replicate changes in the FBM KLCI. This amongst others, is due to the fees and expenses payable by the Fund and transaction costs incurred in adjusting the composition of or the weighting of the Fund's investments because of changes in the FBM KLCI. Other risks associated with investments in equities are as elaborated below:

MARKET RISK - Market risk is a risk that arises when the prices of investments in the marketplace are affected by circumstances such as political or economic events. These circumstances, which may be a local or global event can affect the markets where the Fund is invested in or global markets and subsequently the value of the Fund's investments.

PARTICULAR SECURITIES RISK - The fluctuation in the performance of each individual security that the Fund invests in will affect the price of the units of the Fund. Not all companies issuing these securities are successful. The success or failure of the companies will cause its securities value to rise or fall. Valued collectively, the performance of individual securities will cause the Fund's unit price to rise or fall accordingly.

In addition, as the Manager will participate in financial derivatives for the purpose of achieving the Fund's investment objective, there are certain tracking risks involved. Such risks may include an imperfect correlation between price movements of the financial derivatives with price movements of the Fund's investments.

Further, the risk of loss in trading financial derivatives is potentially great, due to both low margin deposits required, and the extremely high degree of leverage involved in futures derivatives pricing. As a result, a relatively small price movement in a financial derivative may result in immediate and substantial loss (or gain) to the Fund.

Note: If your investments are made through an institutional unit trust scheme adviser ("IUTA") which adopts the nominee system of ownership, you would not be deemed to be a Unit Holder under the deed of the Fund and as a result, you may not exercise all the rights ordinarily conferred to a Unit Holder (e.g. the right to call for Unit Holders' meetings and the right to vote at a Unit Holders' meeting). Accordingly, the Manager will only recognise the IUTA as a Unit Holder and the IUTA shall be entitled to all the rights conferred to it under the deed of the Fund.

FUND PERFORMANCE

Following the replacement of the KLCI by Bursa Malaysia Securities Berhad with the FBM KLCI effective 6 July 2009, the Fund is now tracking the performance of the FBM KLCI. Accordingly, the Fund's performance is now benchmarked against the FBM KLCI instead of the KLCI. The changeover, however, does not affect the historical performance of the benchmark as the past index of FBM KLCI is the same as that of the KLCI. This new benchmark is used in all performance reporting.

AVERAGE TOTAL RETURNS

Average total returns for the following periods ended 31 March 2024

	1 Year	3 Years	5 Years	10 Years
RHB KLCI Tracker Fund (%)	9.64	1.33	0.41	-0.33
Benchmark [^] (%)	7.98	-0.80	-1.34	-1.84

ANNUAL TOTAL RETURNS

Annual total returns for the following Financial Year Ended 31 March

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
RHB KLCI Tracker Fund (%)	9.64	-8.30	3.50	17.19	-16.31	-10.73	8.40	2.63	-4.96	0.42
Benchmark [^] (%)	7.98	-10.38	0.88	16.48	-17.81	-11.80	7.09	1.31	-6.17	-1.00

For the latest financial year, the Fund recorded a return of 9.64% outperforming its benchmark return of 7.98%.

Source: Lipper IM, 15 April 2024. [^]The benchmark of the Fund is FBM KLCI. The abovementioned performance is computed on NAV to NAV basis and has been adjusted to reflect distribution payments and unit splits, if any, and are annualised.

PORTFOLIO TURNOVER RATIO ("PTR")

Financial Year Ended 31 March

	2024	2023	2022
PTR (times)	0.18	0.11	0.20

The PTR for the latest financial year was higher compared with previous financial year due to more investment activities during the latest financial year.

DISTRIBUTION RECORD

Financial Year Ended 31 March

	2024	2023	2022
Gross distribution per unit (sen)	-	-	-
Net distribution per unit (sen)	-	-	-

For the latest financial year, no distribution has been proposed for 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 the Fund:

Charges

Transaction fee ¹ by distribution channels for sales transactions	Up to 1.00% of investment amount. An investor can expect differing transaction fee to be levied when buying units of the Fund from the various distribution channels and within each distribution channel, subject to the maximum transaction fee stipulated herein. This is due to the different levels of services provided by each distribution channel and/or the size of the investment undertaken. <i>Note: If the Fund is an Employees Provident Fund ("EPF") Members' Investment Scheme ("MIS") approved fund and you invest via EPF-MIS, you will be levied a sales charge of up to 3.00% of the investment amount or any other rate as may be determined by the EPF from time to time.</i>
Transaction fee ¹ by distribution channels for repurchase transactions	1.00% of redemption amount.
Dilution fee or transaction cost factor	None.

Other charges payable directly by the investors

Switching fee ¹	RM25.00 per switch or the difference in sales charge between switching funds, where applicable. The Manager reserves the right to vary this switching fee or to vary the terms of the switching facility.
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FEES & CHARGES

Transfer fee ¹	RM5.00 per transfer.
<i>This table describes the fees that you may indirectly incur when you invest in the Fund:</i>	
Fees and Expenses	
Annual management fee ¹	1.50% per annum of the NAV of the Fund calculated on a daily basis before deducting the Manager's and Trustee's fees for that particular day.
Annual trustee fee ¹	Up to 0.07% per annum of the NAV of the Fund calculated on a daily basis before deducting the Manager's and Trustee's fees for that particular day.
Expenses directly related to the Fund	Auditors' fees and other relevant professional fees, custodial charges, cost of distribution of semi-annual and annual reports, tax certificates, reinvestment statements or distribution cheques (where applicable) and other notices to unit holders of the Fund ("Unit Holder(s)"), commissions paid to brokers, other transaction costs and taxes.
Other fees payable indirectly by an investor (if any)	None.
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 Malaysian government from time to time.	
Note 1: The Manager may, for any reason at any time, waive or reduce the amount of its management fee only 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.	
Note 2: Any bank charges imposed by the relevant financial institutions will be borne by the Unit Holders.	

TRANSACTION INFORMATION

Minimum Initial Investment	RM100 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 Investment Balance	100 units or such other lower quantity as the Manager may from time to time decide.
Minimum Redemption of Units	Any number of units.
Frequency of Redemption of Units	No restriction.
Switching Facility and Frequency of Switching	Available. Unit Holders may switch to units of any unit trust fund under the management of the Manager that are of the same currency and that allows for switching. The minimum amount for a switch to another fund is RM100.00 or such other amount as the Manager may from time to time decide. There is no restriction as to the number of switches a Unit Holder may perform or the frequency of switching. The minimum investment balance must be at least one hundred (100) units or such other lower quantity as the Manager may from time to time decide after the switch. Following a switching transaction, if the quantity of units held by a Unit Holder in the Fund falls below its minimum investment balance, the Manager can switch the entire investment and forward the proceeds to the fund that the Unit Holder intends to switch into. The Manager however, reserves the right to vary these terms.
Transfer Facility	Available. Unit Holders may transfer their holdings of units to another investor by forwarding the completed form of transfer to the Manager's registered/principal office or any of its branches or to any of its participating IUTAs and any other authorised distributors before their respective cut-off times on any Business Day. However, the Manager may refuse to register any partial transfer of units if the registration would result in the transferor or the transferee holding less than the minimum investment balance of one hundred (100) units or such other lower quantity as the Manager may from time to time decide. The Manager may also refuse an entry of transfer during the fourteen (14) days preceding an income distribution date.
An investor may request for a lower minimum initial investment, lower minimum additional investment, lower minimum investment balance or lower minimum amount for a switch which the Manager may accept at its absolute discretion from time to time. Note: If the Fund is an EPF-MIS approved fund and you invest via EPF-MIS, the minimum initial investment shall be RM1,000.00 (or any other amount as may be determined by EPF).	
Subscription Settlement	Payment must be made on the subscription date.
Redemption Settlement	Units of the Fund can be redeemed by forwarding the completed form of request to repurchase to the Manager's registered/principal office or any of its branches, or to any of its participating IUTAs and any other authorised distributors before their respective cut-off times on any Business Day. All redemption requests will be processed in accordance with the redemption conditions for the Fund. The redemption monies will be paid within seven (7) Business Days after receipt by the Manager of the request to repurchase. Note: If you have invested via the EPF-MIS, the redemption monies will be credited back into your EPF accounts.
Cooling-off Period	Unit Holders have the right to request for a refund of their investment within six (6) Business Days which shall be effective from the date of receipt of the application by the Manager, subject to eligibility. Note: If you have invested via the EPF-MIS, the cooling-off period shall be subject to EPF's terms and conditions.
Business Day	A day (other than Saturdays, Sundays and public holidays) in which Bursa Malaysia is open for trading.
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. The Manager may also vary the dealing hours as it may deem appropriate. Investors will be notified on the change of dealing hours via e-mail or notification published on the Manager's website.
Other Information	<ul style="list-style-type: none"> US Person is not eligible to subscribe to the units of the Fund. If a Unit Holder is a US Person or subsequently becomes a US Person, the Manager will issue a notice to that US Person requiring him/her to either redeem all the units of the Fund or transfer all the units of the Fund to a non-US Person, within thirty (30) days from the date of the notice. The Manager shall have the right to compulsorily redeem all the units held by the said US Person after thirty (30) days from the date of notice if the US Person fails to redeem or transfer his/her units within the stipulated period. If the Fund is eligible to be invested via the EPF-MIS and you transfer your moneys from your EPF account to invest in the Fund, the investments made by the Fund as well as your investment in the Fund from your EPF account will be subject to the EPF's requirements. Please refer to the website at http://www.kwsp.gov.my for updated information.

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. The valuation of the Fund for a Business Day will be conducted at the close of Bursa Malaysia for that Business Day. Thus, the daily price of the Fund for a particular Business Day will be published online on the Manager's website on the next day. Investors may obtain the most current computed price by contacting the Manager directly or visiting the Manager's website, www.rhbgroup.com.

EXITING FROM THIS INVESTMENT

The repurchase price shall be the NAV per unit as at the next valuation point of the Fund's relevant Business Day after the request for repurchase is received by the Manager ("forward pricing"). A transaction fee of 1.00% will be computed separately based on the redemption amount. Units of the Fund can be redeemed by forwarding the completed form of request to repurchase to the Manager's registered/principal office or any of its branches, or to any of its participating IUTAs and any other authorised distributors before their respective cut-off times on any Business Day. All redemption requests will be processed in accordance with the redemption conditions for the Fund. The redemption monies will be paid within seven (7) Business Days after receipt by the Manager of the request to repurchase. Where applicable, if you have invested via the EPF-MIS, the redemption monies will be credited back into your EPF accounts.

For partial redemption, the balance of units 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 is no restriction on the minimum number of units a Unit Holder can redeem out of the Unit Holder's investments or the frequency of redemptions in a year. If the balance of units held after the redemption is less than the minimum investment balance, the Manager can withdraw the entire investment and forward the proceeds to the Unit Holder.

CONTACT INFORMATION

To contact the Manager or to find out about the distribution channels of the Fund, you may call us at 03-9205 8000 at any time during office hours: Mondays through Fridays from 9:00 a.m. – 5:00 p.m. or e-mail your enquiries to rhbam@rhbgroup.com.

HOW DO YOU LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:

- ❖ **via Unit Holders Services Toll-Free Hotline at:** 1-800-88-3175 ❖ **via phone to:** 03-9205 8000
- ❖ **via fax to:** 03-9205 8100 ❖ **via e-mail to:** rhbam@rhbgroup.com
- ❖ **via letter to:** 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):

- ❖ **via phone to:** 03-2282 2280 ❖ **via fax to:** 03-2282 3855 ❖ **via e-mail to:** info@sidrec.com.my
- ❖ **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 Securities Commission Malaysia ("SC") even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Consumer & Investor Office:

- ❖ **via phone to the Aduan Hotline at:** 03-6204 8999 ❖ **via fax to:** 03-6204 8991
- ❖ **via online complaint form available at:** www.sc.com.my ❖ **via e-mail to:** aduan@seccom.com.my
- ❖ **via letter to:** Consumer & Investor Office, Securities Commission Malaysia, 3 Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur.

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

- ❖ **via phone to:** 03-7890 4242 ❖ **via e-mail to:** complaints@fimm.com.my ❖ **via online complaint form available at:** www.fimm.com.my
- ❖ **via letter to:** Legal & Regulatory Affairs, Federation of Investment Managers Malaysia, 19-06-1, 6th Floor Wisma Tune, No. 19 Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.