

## **UNITED ASEAN DISCOVERY FUND** (the “Fund”)

### **PRODUCT HIGHLIGHTS SHEET**

**DATE OF ISSUANCE: 8 SEPTEMBER 2016**

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

#### **RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorised committee and/or persons approved by the Board of **UOB Asset Management (Malaysia) Berhad** and they have 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 omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

#### **STATEMENT OF DISCLAIMER**

The Securities Commission Malaysia (“SC”) has authorised the issuance of **UNITED ASEAN DISCOVERY FUND** and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the **UNITED ASEAN DISCOVERY FUND** and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the **UNITED ASEAN DISCOVERY 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 **UOB Asset Management (Malaysia) Berhad** who is responsible for the **UNITED ASEAN DISCOVERY 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.

This Product Highlights Sheet is an important document:

- It is a summary of the **salient information about the Fund**.
- You **MUST NOT invest in the Fund based on this Product Highlights Sheet alone**. Please read the Master Prospectus before deciding to make an investment. If you do not have a copy, please contact us to ask for one.
- You should not invest in the Fund if you do not understand it or are not comfortable with the accompanying risks.

## BRIEF INFORMATION ABOUT THE FUND

**UNITED ASEAN DISCOVERY FUND** (the “Fund”) seeks to provide investors with Medium to Long Term capital appreciation by investing in small and medium sized ASEAN companies.

The Fund is a unit trust fund managed by **UOB Asset Management (Malaysia) Berhad** (the “Manager”) and the Fund is not a capital protected fund nor a capital guaranteed fund.

## PRODUCT SUITABILITY

The Fund is suitable for investors who:

- are seeking Medium to Long Term capital appreciation on their investments;
- have a high risk tolerance; and
- want to have exposure to investments in small and medium sized ASEAN companies.

The Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or U.S. Person(s). Accordingly, investors may be required to certify that they are not U.S. Person(s) before making an investment in the Fund.

## KEY PRODUCT FEATURES

### What am I investing with?

Fund Category	Equity
Fund Type	Growth
Investment Objective	The Fund seeks to provide investors with Medium to Long Term capital appreciation by investing in small and medium sized ASEAN companies.
Investment Strategy	<p>The Manager seeks to achieve the investment objective of the Fund by investing in equities and equity-related securities (i.e. warrants) of:</p> <ul style="list-style-type: none"><li>i) small and medium sized companies which are listed and/or traded in Eligible Markets in the ASEAN region; and/or</li><li>ii) small and medium sized companies which have substantial business in ASEAN countries and are listed and/or traded in a non-ASEAN Eligible Markets.</li></ul> <p>The Manager defines small and medium sized companies as companies that have a market capitalization of under USD3billion at the point of investment.</p> <p>The Manager employs fundamental and bottom-up analysis as an integral part of their investment process. This approach emphasizes the analysis of individual companies including the evaluation of a company’s operating and earning prospects, competitive positioning, quality of management, corporate governance standards, valuation, profitability measures, and risk factors.</p>
Asset Allocation	<ul style="list-style-type: none"><li>• At least 70% of the Fund’s Net Asset Value (“NAV”) in equities and equity-related securities (i.e. warrants).</li><li>• A maximum of 30% of the Fund’s NAV in fixed income securities, money market instruments or placement of Deposits with financial institutions.</li></ul>

Performance Benchmark	The performance of this Fund is benchmarked against a target return of 8% per annum.
Launch Date	8 December 2014
Financial Year	31 August
Income Distribution Policy	Subject to the availability of income, distribution is incidental. Distribution declared will be automatically reinvested into the unit holders' accounts in the form of additional units in the Fund at no cost.

### Who am I Investing with?

Manager	UOB Asset Management (Malaysia) Berhad
Manager's delegate	Fund accounting and fund valuation functions: Deutsche Bank (Malaysia) Berhad
Trustee	Deutsche Trustees Malaysia Berhad
Trustee's delegate (custodian)	Deutsche Bank (Malaysia) Berhad
Tax advisers	Ernst & Young Tax Consultants Sdn. Bhd.
Auditors	Ernst & Young

### Possible Outcomes

Best case	Capital appreciation.
Mid case	No significant change in investment, i.e. no capital appreciation.
Worst case	Capital loss.

### KEY RISKS ASSOCIATED WITH THE FUND

Please be advised that if an investor invests in units through an institutional unit trust adviser which adopts the nominee system of ownership, the investor would not be considered to be a unit holder under the Fund's Deed as the investor's name will not appear in the register of unit holders. The investor may consequently not have all the rights ordinarily exercisable by a unit holder (for example, the right the call for a unit holder's meeting and to vote threat).

Equity risk	Generally, equity risk may arise in the following forms, i.e., equity risks related to external factors and equity risks related to company-specific factors. All of these related equity risks can adversely affect the prices of equities, which would negatively impact the performance of the Fund.
Warrant risk	The price, performance and liquidity of warrants are typically linked to the underlying stock. However, the price and performance of such warrants will generally fluctuate more than the underlying stock because of the greater volatility of the warrants market. As such, the Fund's investment in warrants will be facing high volatility as well.
Currency risk	This risk is associated with investments denominated in currencies different from the base currency of the Fund. When foreign currencies move unfavourably against the Ringgit Malaysia, these investments may face currency loss in addition to any capital gains or losses, which will affect the NAV of the Fund, and consequently the NAV per unit of the Fund.
Liquidity risk	Liquidity risk refers to the ease of liquidating an investment depending on the investment's volume traded in the market.
Credit/default risk	This refers to the creditworthiness of the issuers of fixed income securities and/or money market instruments and its expected ability to make timely payment of interest and/or principal.

Interest rate risk	This risk refers to the effect of interest rate changes on the market value of a portfolio of fixed income securities. In the event of rising interest rates, prices of fixed income securities will generally decrease and vice versa.
Country risk	The value of the assets of the Fund may also be affected by the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in the ASEAN region in which the Fund may invest.

**Note: The abovementioned risks which investors should consider before investing into the Fund should not be considered to be an exhaustive list. Investors should be aware that investments in the Fund may be exposed to other unforeseeable risks from time to time. Investors are advised to consult their professional adviser before investing. Please refer to the Master Prospectus under “Risk Factors” for further details on risks.**

## FEES & CHARGES WITH THE FUND

<b>Management Fee</b>	Up to 1.80% per annum of the NAV of the Fund, calculated and accrued on a daily basis.
<b>Trustee Fee</b>	Up to 0.07% per annum of the NAV of the Fund, subject to a minimum of RM15,000 per annum, calculated and accrued on a daily basis (excluding foreign custodian fees and charges).
<b>Sales Charge</b>	Up to 5.00% of the NAV per unit. <i>Note: Investors should note that sales charge levied may vary when you purchase units of the fund from different authorized distributors or the Manager, subject to the maximum sales charge disclosed herein. The difference in sales charge imposed is based on the different levels of services provided and/or the size of the investment undertaken. Nevertheless, the Manager may at its absolute discretion waive and/or reduce the sales charge.</i>
<b>Redemption Charge</b>	Nil. The Manager does not intend to impose any redemption charge.
<b>Transfer Fee</b>	RM15 per transfer, subject to the Manager’s discretion.
<b>Switching Fee</b>	Nil. Although the Manager does not intend to impose any switching fee, unit holders are subject to the terms and conditions of switching as set out in the Master Prospectus under Section 7.9, <i>Switching Facility</i> .

*Note: All the fees and charges above are exclusive of GST unless otherwise stated.*

### How will I be notified of any increase in fees and charges?

- A written communication will be sent to unit holders to notify of the higher rate and its effective date;
- A supplementary or replacement master prospectus will be registered and issued; and
- A notice period of:
  - (a) 90 days for management fee and trustee fee; and/or
  - (b) 30 days for fees and charges other than management fee and trustee fee
 will be given to the unit holders prior to the effective date of the new fees and charges.

## VALUATIONS AND EXITING FROM INVESTMENT

### How often are valuations available?

The Fund will be valued daily. The NAV per unit of the Fund is obtainable via the following, on a daily basis :

- **UOBAM(M)** : <http://www.uobam.com.my>
- **Morningstar** : <http://my.morningstar.com>
- **The Star Online**: <http://www.thestar.com.my/Business/Marketwatch/Unit-Trust/>
- **Bloomberg**: <http://www.bloomberg.com>

You may also contact the Manager at 03-27321181 for the NAV per unit of the Fund.

### How can I invest?

Minimum initial investment	RM1,000 or such other lower amount as the Manager may from time to time decide.
Minimum additional investment	RM100 or such other lower amount as the Manager may from time to time decide.
Submission of application	Monday – Friday (except public holiday).
Cut-off time	By 4.00p.m. on a business day.

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

### How can I redeem?

Minimum withdrawal	1,000 units or such other lesser units as the Manager may from time to time decide.
Minimum holding	1,000 units.
Submission of withdrawal request	Monday – Friday (except public holiday).
Cut-off time	By 4.00p.m. on a business day.
Payment of withdrawal proceeds	Redemption proceeds will be paid within ten (10) days of the date the Manager receives a complete redemption requests form.
Cooling-off period and right	Six (6) Business Days from the date of receipt of the application for units.  A cooling-off right is only given to unit holders who are investing for the first time in any unit trust funds managed by the Manager.  Corporations, institutions, staff of the Manager and persons registered with a body approved by the SC to deal in unit trust funds are not entitled to a cooling-off right.

## **FUND PERFORMANCE**

### **Average total return**

	<b>Since launch<sup>^</sup></b>
UADF (%)	-0.32
Benchmark <sup>#</sup> (%)	5.54

### **Annual total return**

	<b>Since launch<sup>^</sup></b>
UADF (%)	-0.32
Benchmark <sup>#</sup> (%)	5.54

<sup>#</sup> The benchmark is a target return of 8% per annum.

<sup>^</sup> UADF was launched on 8 December 2014. Figures quoted are from launch date to 31 August 2015.

### **Performance Review**

For the financial period from 8 December 2014 (launch date) to 31 August 2015, the Fund registered a negative return of 0.32%, underperforming the benchmark return of 5.54%. The underperformance was mainly due to the sharp correction across Asia Pacific ex Japan markets in August 2015 led by concerns on tepid global growth, fears of a Fed lift-off in September 2015, the A-shares correction and Renminbi (RMB) devaluation. In tandem with the general market sell down, the Fund fell 12% in the month of August 2015, wiping off earlier gains registered.

### **Portfolio Turnover Ratio**

	<b>As at 31 August 2015 (times)</b>
Portfolio turnover ratio	2.85

### **Income Distribution/Unit Splits**

There was no income distribution and unit split declared for the Fund during the financial period from 29 December 2014 (date of commencement) to 31 August 2015.

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

**PLEASE NOTE THAT UNIT PRICES AND INVESTMENT RETURNS MAY GO DOWN, AS WELL AS UP.**

**ALL PERFORMANCE FIGURES HAVE BEEN EXTRACTED FROM THE FUND'S ANNUAL REPORT.**

**APPENDIX: GLOSSARY**

ASEAN	means the Association of South East Asian Nations.
Business Day	means a day on which Bursa Malaysia is open for trading.  The Manager may declare certain Business Days to be a non-Business Day if the Fund's investment in foreign markets which are closed for business is at least 50% of the Fund's NAV. This is to ensure investors are given a fair valuation of the Fund when making subscription or redemption.
Deed(s)	means the principal deed(s) including any supplementary deed(s) entered into between the Manager and the Trustee in relation to the respective Fund and registered with the SC.
Deposits	means current deposits and/or fixed deposits.
Eligible Markets	means a market that: (a) is regulated by a regulatory authority; (b) operating regularly; (c) is open to the public; (d) has adequate liquidity for the purposes of the Fund.  For investments in a foreign market*, a foreign market is an eligible market where it has satisfactory provisions relating to: (a) the regulation of the foreign market; (b) the general carrying on of business in the market with due regard to the interests of the public; (c) adequacy of market information; (d) corporate governance; (e) disciplining of participants for conduct inconsistent with just and equitable principles in the transaction of business, or for a contravention of, or a failure to comply with the rules of the market; and (f) arrangements for the unimpeded transmission of income and capital from the foreign market.  <i>*Note: Investments in a foreign market are limited to markets where the regulatory authority is a member of the IOSCO.</i>
GST	means Goods and Services Tax.
IOSCO	means the International Organisation of Securities Commissions.
Medium to Long Term	means a period of three (3) years or more.
Master Prospectus	means the Master Prospectus dated 8 September 2016 including any supplementary master prospectus thereof or replacement master prospectus, as the case may be.
U.S. (United States) Person(s)	means: a) a U.S. citizen (including dual citizen); b) a U.S. resident alien for tax purposes; c) a U.S. partnership; d) a U.S. corporation; e) any estate other than a non-U.S. estate; f) any trust if: i) a court within the U.S. is able to exercise primary supervision over the administration of the trust; ii) one or more U.S. Persons have the authority to control all substantial decisions of the trust; and g) any other person that is not a non-U.S. person.



## FOR FURTHER INFORMATION OR TO LODGE A COMPLAINT:

For enquiries/further information, please contact:

### **Marketing Department**

UOB Asset Management (Malaysia) Berhad  
Level 22 Vista Tower  
The Intermark  
348 Jalan Tun Razak  
50400 Kuala Lumpur  
Malaysia  
Tel : 03-2732 1181 Fax : 03-2164 8188  
Email address: UOBAMCsutomerCareMY@UOBgroup.com  
Website: www.uobam.com.my

- 1) For internal dispute resolution or for lodging a complaint, please contact the **Compliance Officer** at the same address/telephone/fax number above or via email to UOBAMFeedbackMY@UOBgroup.com.
- 2) If you are dissatisfied with the outcome of the dispute resolution process with the Manager, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):
  - (a) via phone to : 03-2282 2280
  - (b) via fax to : 03-2282 3855
  - (c) via email to : info@sidrec.com.my
  - (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)  
Unit A-9-1, Level 9, Tower A  
Menara UOA Bangsar  
No. 5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur
- 3) You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:
  - (a) via phone to the Aduan Hotline at: 03-6204 8999
  - (b) via fax to : 03-6204 8991
  - (c) via e-mail to : aduan@seccom.com.my
  - (d) via online complaint form available at www.sc.com.my
  - (e) via letter to : Investor Affairs & Complaints Department  
Securities Commission Malaysia  
No 3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur
- 4) Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:
  - (a) via phone to : 03 – 2092 3800
  - (b) via fax to : 03 – 2093 2700
  - (c) via email to : complaints@fimm.com.my
  - (d) via online complaint form available at www.fimm.com.my
  - (e) via letter to : 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