

PRODUCT HIGHLIGHTS SHEET

MAYBANK FINANCIAL INSTITUTIONS INCOME ASIA FUND ("the Fund")

Date of Issuance: 17 July 2018

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of Maybank Asset Management Sdn Bhd 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 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 Maybank Financial Institutions Income Asia Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Maybank Financial Institutions Income Asia Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Maybank Financial Institutions Income Asia 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 Maybank Asset Management Sdn Bhd responsible for the Maybank Financial Institutions Income Asia 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 only highlights the key features and risks of the Maybank Financial Institutions Income Asia Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

1. What is Maybank Financial Institutions Income Asia Fund?

The Fund is Maybank Asset Management Sdn Bhd's fixed income fund. The Fund aims to provide unit holders income* through investing in a portfolio of fixed income securities issued by financial institutions.

* Income could be in the form of cash or units. For further details, please refer to item 7.6 of the master information memorandum on Income Distribution Policy and Distribution Mode of the Fund.

2. Fund Suitability

The Fund is suitable for Sophisticated Investors*:

- with a moderate risk appetite;
- with a medium term** investment horizon;
- who seek semi-annual income by investing into the Fund; and
- who seek exposure into Ringgit Malaysia ("RM") denominated and/or non-RM denominated fixed income securities issued by financial institutions which are domiciled and/or located in the Asian region.

Notes:

* Please refer to the definition of "Sophisticated Investors" in the master information memorandum for more details.

** Medium term means a period between three (3) to five (5) years.

3. Investment Objective

The Fund aims to provide unit holders income through investing in a portfolio of fixed income securities issued by financial institutions.

4. Key Product Features

Fund Type	Income.
Fund Category	Fixed income.
Benchmark	12-month Maybank fixed deposit rate + 1.5% per annum. Source: www.maybank2u.com.my
Launch Date	26 August 2014.
Investment Style & Strategy	To achieve the investment objective, the Fund will invest between 70% - 98% of the Fund's net asset value ("NAV") in a portfolio of RM denominated and/or non-RM denominated fixed income securities issued by financial institutions which are domiciled and/or located in the Asian region. The Manager will also invest between 2% - 30% of the Fund's NAV in liquid assets and any other RM denominated and/or non-RM denominated fixed income securities. <i>The investment style & strategy is further elaborated in item 3.5.10 of the master information memorandum.</i>
Manager	Maybank Asset Management Sdn Bhd.

Management Fee	Up to 1.00% per annum of the NAV of the Fund. The management fee is calculated and accrued daily and payable monthly to the Manager.
Sales Charge	Up to 3.00% of the NAV per unit of the Fund.
Redemption Charge	The Manager will not impose a redemption charge.
Switching Fee	RM10.00 per switch.
Transfer Fee	RM10.00 per transfer.
Trustee	TMF Trustees Malaysia Berhad.
Trustee Fee	Up to 0.04% per annum of the NAV of the Fund, subject to a minimum fee of RM15,000.00 per annum and a maximum fee of RM150,000.00 per annum. The trustee fee is calculated and accrued daily and payable monthly to the Trustee.
Minimum Initial Investment	RM10,000.00 or such other amount as may be decided by the Manager from time to time.
Minimum Additional Investment	RM1,000.00 or such other amount as may be decided by the Manager from time to time.
Minimum Units Held	10,000 units or such other amount as may be determined by the Manager from time to time.
Distribution Policy	Subject to availability of income, distribution shall be at least on a semi-annual basis. Income distribution will be made from the realized income of the Fund.

5. Asset Allocation

LIMITS	INVESTMENT INSTRUMENTS
Between 70% - 98% of the Fund's NAV	<ul style="list-style-type: none"> RM denominated and/or non-RM denominated fixed income securities issued by financial institutions which are domiciled and/or located in the Asian region.
Between 2% - 30% of the Fund's NAV	<ul style="list-style-type: none"> Liquid assets; and Any other RM denominated and/or non-RM denominated fixed income securities.

6. Key Risks

Specific Risks

a) Interest Rate Risk

Interest rate risk refers to the impact of interest rate changes on the valuation of fixed income securities. When interest rates rise, fixed income securities prices generally decline and this may lower the market value of the Fund's investment in fixed income securities. The reverse may apply when interest rates fall. In order to mitigate interest rate risk, the Manager will need to manage the fixed income securities taking into account the coupon rate and time to maturity of the fixed income securities.

b) Credit and Default risk

Credit risk relates to the creditworthiness of the issuers of the fixed income securities 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 fixed income securities. In the case of rated fixed income securities, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a fixed income security either defaulting on payments or

failing to make payments in a timely manner which will in turn adversely affect the value of the fixed income securities. This could adversely affect the value of the Fund.

c) 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 net asset value of the Fund or prices of units to fall.

d) Currency Risk

As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors 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.

e) Emerging Markets Risk

The Fund may invest in emerging markets which exhibit lower levels of capital market development when compared to those of developed markets. Given the fast changing investment landscape of emerging markets, areas such as accounting standards, legal and business environment in emerging markets may be less organised when compared to developed markets, increasing the risks of investing in emerging markets. Generally, investment returns in emerging markets are expected to be more volatile than those in developed markets, resulting in potentially higher investment risk that may affect the Fund's returns. In addition to conducting investment research, such emerging markets risks may be mitigated by diversifying the Fund's exposures across various markets and geographic regions.

f) Concentration Risk

Investors should be aware of the Fund's possible concentration in exposure to a particular sector when investing in this Fund. The Fund will focus a greater portion of its assets in fixed income securities issued by financial institutions, exposing it to concentration risk in the sector of financial institutions. Given that, the Fund's value and/or performance may be heavily dependent on the performance of the financial institutions sector.

g) Counterparty Risk

Counterparty risk refers to a risk that relates to the credit standing of counterparties when over-the-counter transactions are carried out and is not applicable to transactions performed through exchanges. In the event where counterparties of a contract fail to meet its contractual obligations, the Fund will suffer from financial losses. The Fund seeks to mitigate this risk through careful selection of counterparties including but not limited to the assessment of the credit strength of the counterparties.

h) Hedging Risk

The Manager will use derivatives to hedge the Fund's portfolio from certain anticipated losses such as those resulting from unfavourable exchange rate and interest rate movements. However, every hedge comes with a cost. In a move to mitigate the risk of uncertainty; the Fund is now exposed to the risk of opportunity loss. Once hedged, the Fund cannot take full advantage of favourable exchange rate and interest rate movements. If the exposure which the Fund is hedging against makes money, the act of hedging would have typically reduced the potential

returns of the Fund. On the other hand, if the exposure which the Fund is hedging against loses money, the act of hedging would have reduced the loss, if successfully hedged.

Investors are reminded that the above list of risks may not be exhaustive and if necessary, they should consult their adviser(s), e.g. their bankers, lawyers, stockbrokers or independent professional advisers for a better understanding of the risks.

For more details, please refer to item 4.1 in the master information memorandum for the general risks of investing in the Fund.

Note: If your investments are made through an institutional unit trust adviser (“Distributor”) which adopts the nominee system of ownership, you would not be deemed to be a unit holder under the deed and as a result, your rights as an investor may be limited. Accordingly, we will only recognise the Distributor as a unit holder of the Fund and the Distributor shall be entitled to all the rights conferred to it under the deed.

7. Valuation of Investment

The Fund must be valued at least once every Business Day*. The valuation of the Fund will be carried out in a fair and accurate manner. The Fund will be valued at **5.30 p.m. on the next 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 will be conducted by 5.30 p.m. on the next Business Day, when the closing prices of the foreign markets would be available. As such, the daily price of the Fund for a particular Business Day will be published two (2) Business Days later.

Investors will be able to obtain the unit price of the Fund from www.maybank-am.com.my. Alternatively, the Manager’s client servicing personnel can be contacted at 03-2297 7888.

* Please refer to the definition of “Business Day” in the master information memorandum for more details.

8. Exiting from Investment

Submission of Redemption Request	The cut-off time for redemption of units shall be at 4.00 p.m. on a Business Day.
Payment of Redemption Proceeds	Redemption proceeds will be paid within ten (10) calendar days from the Manager’s receipt of a redemption request before the cut-off time of 4.00 p.m. on a Business Day. In the event the payment day is not a Business Day, the redemption proceeds will be paid to unit holders on the following Business Day.
Remittance of Redemption Proceeds	The Manager shall remit the redemption proceeds to the bank account held in the name of the unit holder(s).

For both creation and redemption of units, the Manager shall not be held responsible for any delay or loss incurred in the event of:

- *Real Time Electronic Transfer of Funds and Securities (RENTAS) experiencing problems;*
- *Any remittance of fund that does not correspond with the request promptly;*
- *Inaccurate details (i.e. identity card number, account number, etc.) provided by unit holders; or*
- *Circumstances beyond the control of the Manager or the Trustee.*

9. Contact Information

1. *For internal dispute resolution, you may contact:*

Clients Servicing Personnel

Tel : 03-2297 7888
Fax : 03-2297 7998
Email : mamcs@maybank.com.my
Website : www.maybank-am.com

II. 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):

- 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

III. 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:

- a. via phone to : 03-6204 8999
- b. via fax to : 03-6204 8991
- c. via email to : aduan@seccom.com.my
- d. via the 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

IV. 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, 6th Floor Wisma Tune
No. 19 Lorong Dungun
Damansara Heights
50490 Kuala Lumpur