

PRODUCT HIGHLIGHTS SHEET

# MAMG DYNAMIC HIGH INCOME FUND ("the Fund")

Date of Issuance: 22 January 2019

## 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 relevant information and document in relation to the MAMG Dynamic High Income Fund, including a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

The lodgement of the relevant information and document in relation to the MAMG Dynamic High Income Fund, including this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the MAMG Dynamic High Income 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 MAMG Dynamic High Income 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 MAMG Dynamic High Income Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

### 1. What is MAMG Dynamic High Income Fund?

The Fund is Maybank Asset Management Sdn Bhd's feeder fund (wholesale). The Fund aims to maximise investment returns by investing in the BlackRock Global Funds - Dynamic High Income Fund ("Target Fund").

### 2. Fund Suitability

The Fund is suitable for Sophisticated Investors\* who:

- seek a high level of income;
- seek to invest significantly in income producing assets such as fixed income transferable securities, including corporate and government issues which may be fixed and floating and may be investment grade, sub-investment grade or unrated, covered call options and preference shares; and
- are willing to adopt capital and income risk.

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

### 3. Investment Objective

The Fund aims to maximise investment returns by investing in the Target Fund.

### 4. Key Product Features

Class	MYR Class	MYR (Hedged) Class	USD Class	EUR (Hedged) Class	AUD (Hedged) Class	SGD (Hedged) Class
<b>Fund Category</b>	Feeder fund (wholesale).					
<b>Benchmark</b>	70% MSCI World Index and 30% Bloomberg Barclays Global Aggregate Bond Index USD Hedged. This is not a guaranteed return and is only a risk benchmark of the Fund's volatility. <i>Note: The Fund adopts the risk benchmark of the Target Fund. The risk benchmark is used to compare against both the risk (in standard deviation) of the Fund and the Target Fund. The Fund and the Target Fund aim to invest in a portfolio of securities which have a total risk level that are in line with or below the risk benchmark.</i>					
<b>Launch Date</b>	22 January 2019.					
<b>Investment Strategy</b>	The Fund seeks to achieve its investment objective by investing at least 90% of the Fund's Net Asset Value ("NAV") in I6 USD share class of the Target Fund. The Target Fund is a sub-fund of BlackRock Global Funds established and domiciled in Luxembourg and was launched on 6 February 2018. The Fund may employ currency hedging strategies by utilising currency forwards to fully or partially hedge the foreign currency exposure to manage the currency risk of the Classes other than MYR Class and USD Class.					

	Although the Fund is passively managed, the Manager will ensure proper and efficient management of the Fund so that the Fund is able to meet redemption requests by Unit Holders.				
<b>Manager</b>	Maybank Asset Management Sdn Bhd.				
<b>Annual Management Fee</b>	Up to 1.80% per annum of the NAV of each Class, calculated and accrued daily in the base currency of the Fund, USD, and payable monthly to the Manager.				
<b>Sales Charge</b>	Up to 5.0% of the NAV per unit. <i>Notes:</i> (1) <i>Investors may negotiate for a lower sales charge.</i> (2) <i>The Manager reserves the right to waive or reduce the sales charge.</i> (3) <i>All sales charge will be rounded up to two (2) decimal places and will be retained by the Manager.</i>				
<b>Redemption Charge</b>	The Manager will not impose a redemption charge.				
<b>Switching Fee</b>	RM10.00 per switch.	USD 10.00 per switch	EUR 10.00 per switch	AUD 10.00 per switch	SGD10.00 per switch.
	<i>Notes:</i> (1) <i>The Manager reserves the right to waive the switching fee.</i> (2) <i>In addition to the switching fee, the unit holder will have to pay the difference in sales charge when switching from a fund with lower sales charge to a fund with higher sales charge.</i>				
<b>Transfer Fee</b>	RM10.00 per transfer.	USD 10.00 per transfer	EUR 10.00 per transfer	AUD 10.00 per transfer	SGD10.00 per transfer.
	<i>Note: The Manager reserves the right to waive the transfer fee.</i>				
<b>Trustee</b>	RHB Trustees Berhad.				
<b>Annual Trustee Fee</b>	Up to 0.02% per annum of the NAV of the Fund, subject to a minimum of RM6,000 per annum, calculated and accrued daily and payable monthly to the Trustee.				
<b>Minimum Initial Investment<sup>^</sup></b>	RM25,000.00	USD 10,000.00	EUR 10,000.00	AUD 10,000.00	SGD 10,000.00
<b>Minimum Additional Investment<sup>^</sup></b>	RM 5,000.00	USD 5,000.00	EUR 5,000.00	AUD 5,000.00	SGD 5,000.00
<b>Minimum Balance of Units<sup>^</sup></b>	5,000 Units	5,000 Units	5,000 Units	5,000 Units	5,000 Units
<b>Minimum Redemption of Units<sup>^</sup></b>	1,000 units				
<sup>^</sup> or such other amount or number of Units as may be decided by the Manager from time to time.					
<b>Distribution Policy</b>	Distribution, if any, will be incidental for the first financial year. Thereafter, distribution, if any, will be made on a quarterly basis. The source of income, if any, for the purpose of distribution shall be derived from the realised income and/or gain.				

## 5. Asset Allocation

Asset Type	% of the Fund's NAV
Target Fund	At least 90%
Liquid assets*	2% to 10%

\* Liquid assets include but are not limited to fixed deposits and money market instruments.

## 6. Key Risks

### Specific Risks

#### (a) Currency Risk

As the base currency of the Fund is denominated in USD and the currency denomination of the Classes may be denominated in other than USD, the Classes not denominated in USD are exposed to currency risk. Any fluctuation in the exchange rates between USD and the currency denomination of the Class (other than USD Class) will affect the Unit Holder's investments in those Classes (other than USD Class). The impact of the exchange rate movement between the base currency of the Fund and the currency denomination of the Class (other than USD Class) may result in a depreciation of the Unit Holder's holdings as expressed in the base currency of the Fund.

In order to manage currency risk, the Manager may employ currency hedging strategies to fully or partially hedge the foreign currency exposure of the Class other than MYR Class and USD Class. However, every hedge comes with a cost and will be borne by the respective Class.

Currency hedging may reduce the effect of the exchange rate movement for the Class being hedged (other than MYR Class and USD Class) but it does not entirely eliminate currency risk between the Class and the base currency of the Fund. The unhedged portion of the Class will still be affected by the exchange rate movements and it may cause fluctuation of NAV of the Class. You should note that if the exchange rate moves favourably, the Class (other than MYR Class and USD Class) will not benefit from any upside in currency movement due to the hedging strategy. There is no guarantee that the hedging will be successful and mismatches may occur between the currency position of the Fund and the Class being hedged.

#### (b) Country Risk

The investment of the Fund may be affected by risk specific to the country in which it invests in. Such risks include changes in a country's economic, social and political environment. The value of the assets of the Fund may also be affected by uncertainties such as currency repatriation restrictions or other developments in the law or regulations of the country in which the Fund invest in, i.e. Luxembourg, the domicile country of the Target Fund.

#### (c) Concentration Risk

As the Fund invests at least 90% of its NAV in the Target Fund, it is subject to concentration risk as the performance of the Fund would be dependent on the performance of the Target Fund.

(d) Investment Adviser Risk

The Fund will invest in the Target Fund managed by a foreign asset management company. This risk refers to the risk associated with BlackRock Investment Management (UK) Limited (“Investment Adviser”), which include:

- i) the risk of non-adherence to the investment objective, strategy and policies of the Target Fund;
- ii) the risk of direct or indirect losses resulting from inadequate or failed operational and administrative processes and systems by the Investment Adviser; and
- iii) the risk that the Target Fund may underperform its benchmark due to poor investment decisions by the Investment Adviser.

(e) Default Risk

Default risk relates to the risk that an issuer of a money market instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the money market instruments. This could adversely affect the value of the Fund as 2%-10% of the NAV of the Fund will be invested in liquid assets which include money market instruments.

(f) Over-the-counter (“OTC”) Counterparty Risk

Should there be a downgrade in the credit rating of the over-the-counter derivatives’ counterparty, we will evaluate the situation and reassess the creditworthiness of the counterparty. We will take the necessary steps in the best interest of the Fund.

***Investors are reminded that the risks listed above 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 section 6.1 in the 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, the Manager 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 is valued once every business day after the close of the market in which the portfolio of the Fund is invested for the relevant day but not later than 5.00 p.m. on the next Business Day. The daily price of the Fund for a particular Business Day will not be published on the next day but will instead be published the next following day (i.e. the price will be two (2) days old).

The valuation of the Fund will be done in the Fund’s base currency, USD. All expenses, assets and cash denominated in currencies other than USD will be translated into USD for valuation purposes.

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

## 8. Exiting from Investment

Submission of Redemption Request	The cut-off time for redemption of units shall be at <b>4.00 p.m.</b> on a business day.
Payment of Redemption Proceeds	<p>Redemption proceeds will be paid to unit holders within fourteen (14) calendar days after the request to redeem is received by the Manager. Any request/application received or deemed to have been received by the Manager after the cut-off time would be considered as being transacted on the next business day.</p> <p>However, in the event that the redemption request/application constitutes 20% of the Fund's NAV or exceeds USD500,000 in aggregate in a single day (whichever is lower), the redemption proceeds will be paid to the Unit Holders within thirty (30) calendar days.</p>
Remittance of Redemption Proceeds	The Manager shall remit the redemption proceeds to the designated banking account held in the name of the unit holder(s).

For both application for 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 (including but not limited to identity card number and account number) provided by unit holders; or
- Circumstances beyond the control of the Manager or the Trustee.

## 9. Contact Information

I. For internal dispute resolution, you may contact:

### **Clients Servicing Personnel**

Tel : 03-2297 7888  
 Fax : 03-2715 0071  
 Email : [mamcs@maybank.com.my](mailto:mamcs@maybank.com.my)  
 Website : [www.maybank-am.com](http://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](mailto: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](mailto:aduan@seccom.com.my)
- d. via the online complaint form available at [www.sc.com.my](http://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](mailto:complaints@fimm.com.my)
- d. via online complaint form available at [www.fimm.com.my](http://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