

### RHB GLOBAL ARTIFICIAL INTELLIGENCE FUND - USD CLASS

The Fund aims to achieve long-term<sup>^</sup> capital growth by investing in one (1) target fund.

Note: <sup>^</sup>“long-term” in this context refers to a period of between 5 – 7 years.

#### INVESTMENT STRATEGY

- At least 95% of NAV - Investments in the USD denominated class AT<sup>^^</sup> units of the Target Fund;
- The balance of the NAV: Investments in liquid assets including money market instruments, deposits that are not embedded with or linked to financial derivative instruments (“Deposits”) and collective investment schemes investing in money market instruments and Deposits.

<sup>^^</sup> Class “AT” refers to retail accumulation units of the Target Fund.

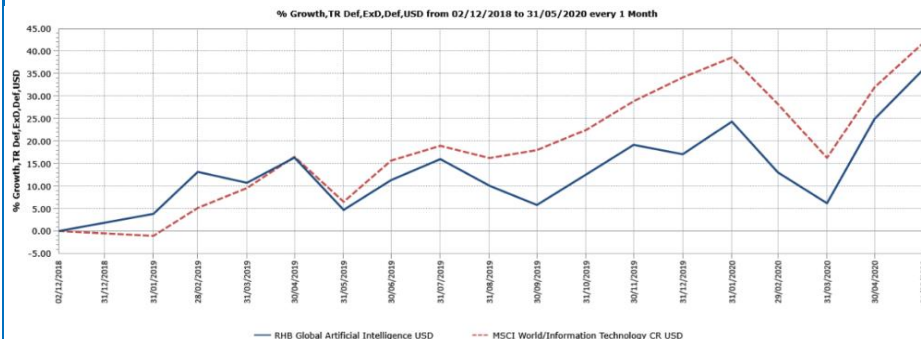
#### INVESTOR PROFILE

This Fund is suitable for:

- ‘Sophisticated Investor(s)’ as defined in the Information Memorandum.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



##### Cumulative Performance (%)\*

|           | 1 Month | 3 Months | 6 Months | YTD   |
|-----------|---------|----------|----------|-------|
| Fund      | 8.86    | 20.32    | 14.15    | 16.18 |
| Benchmark | 7.53    | 10.66    | 10.12    | 5.78  |

|           | 1 Year | Since Launch |
|-----------|--------|--------------|
| Fund      | 29.89  | 36.01        |
| Benchmark | 33.26  | 41.91        |

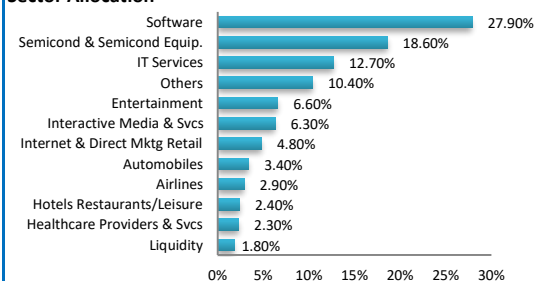
##### Calendar Year Performance (%)\*

|           | 2019  |
|-----------|-------|
| Fund      | 25.67 |
| Benchmark | 46.00 |

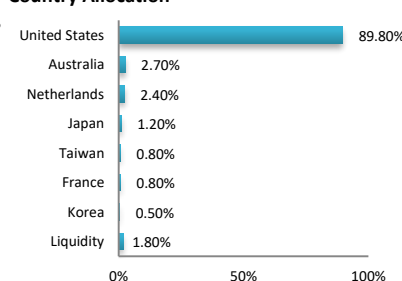
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

|                        |      |
|------------------------|------|
| CROWDSTRIKE HLDGS INC  | 5.60 |
| TWILIO INC             | 4.60 |
| SLACK TECHNOLOGIES INC | 4.50 |
| AMAZON COM INC         | 4.20 |
| ROKU INC               | 4.20 |

\*As percentage of NAV

\*Source: Allianz Global Investors, 31 May 2020. Exposure in Allianz Global Investors Fund

- Allianz Global Artificial Intelligence - 98.65%

#### FUND DETAILS

|                                |   |
|--------------------------------|---|
| Manager                        | RHB Asset Management Sdn. Bhd.          |
| Trustee                        | SCBMB Trustee Berhad                    |
| Fund Category                  | Feeder Fund                             |
| Launch Date                    | 12 November 2018                        |
| Base Currency                  | USD                                     |
| Unit NAV                       | USD 1.3601                              |
| Fund Size (million)            | USD 5.75                                |
| Units In Circulation (million) | 4.23                                    |
| Financial Year End             | 30 September                            |
| MER (as at 30 Sept 2019)       | 0.19%                                   |
| Min. Initial Investment        | USD 1,000.00                            |
| Min. Additional Investment     | USD 500.00                              |
| Benchmark                      | MSCI World Information Technology Index |
| Sales Charge                   | Up to 5.00% of investment amount*       |
| Redemption Charge              | None                                    |
| Annual Management Fee          | Up to 1.80% p.a. of NAV*                |
| Annual Trustee Fee             | 0.03% p.a. of NAV*                      |
| Switching Fee                  | USD10.00 per switch*                    |
| Distribution Policy            | Incidental, if any                      |

\*All fees and charges payable to 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.

For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

#### FUND STATISTICS

##### Historical NAV (USD)

|      | 1 Month | 12 Months | Since Launch |
|------|---------|-----------|--------------|
| High | 1.3726  | 1.3726    | 1.3726       |
| Low  | 1.1765  | 0.8534    | 0.8534       |

Source: Lipper IM

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**MANAGER'S COMMENTS**
**WHAT HAPPENED**

Global equities closed May on a strong note. As the epicentre of the COVID-19 pandemic moved to Latin America, European economies started to reopen and lockdown measures were also eased in the US. Rising hopes that Europe and the US were over the worst, together with promising signs for a vaccine and treatments for COVID-19, lifted sentiment, helping investors overcome concerns about heightened tensions between the US and China. Technology companies remained in favour, and cyclical sectors, such as Industrials and Materials, also performed well.

Information Technology and related stocks outperformed the broader market during the period. Strong share performance was broad-based across technology shares. Megacaps and secular growth software benefitted early in the period amid positive earnings results along with robust commentary and outlooks. Semiconductor stocks were pressured at the beginning of the period on renewed concerns over US actions to curtail shipments to a Chinese communications equipment maker. Shares subsequently recovered as investors contemplated improving demand throughout the rest of the calendar year. In the broader market, performance broadened out to lagging areas of the tech sector as investors contemplated the recovery as economies began phased re-openings.

**PORTFOLIO STRATEGY AND ACTIVITY**

During the period, the Target Fund Manager exited a content delivery network provider as they have become concerned that the company has not been able to capture as much benefit from the shift towards over-the-top video as they had expected. While the company has seen some revenue acceleration, it appears that other infrastructure providers are benefitting more from the trend.

The Target Fund Manager also sold our positions in two Chinese Internet companies. Prior to these sales, the Target Fund Manager had rather small exposure to Chinese companies listed on US exchanges recognising the escalating political issues between the US and China. Ultimately, the Target Fund Manager chose to exit the remaining small positions as they are concerned the political issues could escalate further in addition to finding more compelling AI beneficiaries elsewhere.

The Target Fund Manager redeployed the proceeds of these sales to a new position in an edge cloud platform provider. The edge cloud is a category of Infrastructure-as-a-Service that enables developers to build, secure, and deliver digital experiences at the edge of the Internet. This company's infrastructure is being used to develop more advanced, high performance, and intelligent applications by its customers. This adoption is allowing the company to see accelerating growth with margin improvement. The Target Fund Manager believes the accelerated growth profile and improving profits should allow its shares to see an improved valuation and that the current price represents an attractive reward-to-risk.

The Target Fund Manager also purchased into a diversified industrials company. The company has made significant investments in the areas of leveraging AI across its portfolio of assets (health care, industrial, and aviation). The Target Fund Manager believes the markets have not fully appreciated how these investments should help the company drive increased market share and improvement in its financial position in the future.

Finally, the Target Fund Manager bought into a diversified financial services firm. The Target Fund Manager first became interested in the company as an investment candidate for the Fund in 2018 after it made notable hires with expertise in AI and machine learning. The company made an orchestrated effort to leverage these technologies to transform its product offerings, improve risk management, and drive efficiency. While the Target Fund Manager has monitored the shares for some time, it is only recently that they felt the price had come into a level where they believe the reward-to-risk ratio was attractive enough to warrant inclusion in the portfolio.

**MARKET OUTLOOK**

Overall, the Target Fund Manager continues to believe they are at the very early stages of massive disruptive change brought about by advancement in AI and its deployment. The Target Fund Manager believes that these changes will drive meaningful growth for companies that are able to take advantage and drive disruption within their respective industries. While it is expected at times that markets may question the underpinnings of this growth, the Target Fund Manager believes the compounding effect from AI disruption will create long-term shareholder value. The Target Fund Manager believes that stockpicking will be imperative to capturing the benefits of this opportunity, especially in an environment characterised by disruption and change.

**DISCLAIMER:**

A Product Highlights Sheet (“PHS”) highlighting the key features and risks of the Fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the PHS and the contents of the Information Memorandum dated 12 November 2018 and its supplementary(ies) (if any) (“the Information Memorandum”) before investing. The Information Memorandum has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. This update does not amount to indicate that the SC has recommended or endorsed the Fund. Amongst others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Where a distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from cum-distribution NAV to ex-distribution NAV. Any issue of units to which the Information Memorandum relates will only be made on receipt of a form of application referred to in the Information Memorandum. The Fund are only offered to “sophisticated investors” as defined in the Information Memorandum. For more details, please call 1-800-88-3175 for a copy of the PHS and the Information Memorandum or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks of the Fund are general market risk, currency risk, emerging markets risk, liquidity risk, company-specific risk, concentration risk, volatility risk and derivatives risk. These risks and other general risks are elaborated in the Information Memorandum.

This factsheet is prepared for information purposes only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide to future performance. Returns may vary from year to year.

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