

RHB DIVIDEND VALUED EQUITY FUND

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of RHB Asset Management Sdn Bhd ("RHBAM") and they have collectively and individually accepted 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 Dividend Valued Equity Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the RHB Dividend Valued Equity Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the RHB Dividend Valued Equity 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 responsible for the RHB Dividend Valued Equity 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 Dividend Valued Equity 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 Dividend Valued Equity Fund ("Fund").	Fund Category	Equity fund.
Manager	RHB Asset Management Sdn Bhd.	Launch Date	13 July 2005.
Trustee	HSBC (Malaysia) Trustee Berhad.	Financial Year End	31 May.

PRODUCT SUITABILITY

This Fund is suitable for investors who:

- (i) want capital growth as well as income; and (ii) are willing to accept short term fluctuations in capital values.

KEY PRODUCT FEATURES

INVESTMENT OBJECTIVE

This Fund aims to provide investors with total returns primarily through investment in equity and equity related securities of companies which offer attractive yields and sustainable dividend payments.

INVESTMENT STRATEGY

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

- Minimum of 70% and up to 98% of Net Asset Value ("NAV") will be invested in equities.
- Minimum of 2% and up to 30% of NAV will be invested in fixed income securities and/or liquid assets.

Although the Fund is actively managed, how active or the frequency of its trading strategy will very much depend on market opportunities.

The Manager will invest in companies that offer higher expected dividend yields compared to other companies in the market and whose cash-flow generated by business and management activities are expected to support such dividend payments. The Manager therefore seeks to identify and invest in companies that focus on shareholder value in the form of sustainable dividend returns combined with the prospect for capital growth. The Fund will invest abroad following the liberalisation of Bank Negara Malaysia's regulations on investments abroad. Any foreign investments made by the Fund will be in line with the Fund's objective and in foreign markets where the regulatory authorities are members of the International Organization of Securities Commissions (IOSCO). The Fund's foreign investment will primarily be in equity and equity related securities listed on established stock exchanges in countries within Asia and other regions, namely China, Hong Kong, India, Indonesia, South Korea, Philippines, Singapore, Taiwan, Thailand, Australia and such other countries which are deemed fit by the Manager. There is no target industry or sector. On top of that, the Fund has the option to invest in stocks whether or not listed on the stock exchange of the regions stated above but with assets in and revenues derived from these regions. Subject to the investment restrictions of the Fund, the deed and the relevant laws, the Fund targets to invest up to 98% of its NAV abroad. For the avoidance of doubt, the Fund has the discretion to invest in the local market depending on the conditions of the local and foreign markets.

The Manager employs rigorous research to determine the securities to be included in the investment portfolio. The Manager believes long term investment performance can be achieved by employing a rigorous research process that enables it to identify companies that generate superior cash flows as well as companies that are undervalued. The Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the Manager may reallocate up to 100% of the Fund's equity investments into other asset classes such as fixed income securities, money market instruments and deposits with financial institutions, which are defensive in nature. These are deposits that are not embedded with or linked to financial derivative instruments (structured deposits) and (where applicable) these are current accounts, short term money market deposits and short term deposits with financial institutions.

BENCHMARK

Morgan Stanley Capital International ("MSCI") Asia Pacific Free ex Japan Index.

DISTRIBUTION

DISTRIBUTION POLICY - Income, if any, will be distributed during the financial year.

DISTRIBUTION MODE - Distribution (if any) which is less than or equal to the amount of RM300.00, will be automatically reinvested into the Fund based on the NAV per unit seven (7) Business Days after the ex-dividend date. No sales charge or costs shall be incurred or payable by the unit holders of the Fund ("Unit Holder(s)") for the reinvestment.

Distribution (if any) which is more than the amount of RM300.00, will be automatically paid out to the Unit Holders via cheque, unless the Unit Holder specifically requests for the distribution to be reinvested into the Fund by selecting the appropriate option in the application form. Unit

Holders who opt for their distribution to be reinvested into the Fund will have their distribution reinvested into the Fund based on the NAV per unit seven (7) Business Days after the ex-dividend date. No sales charge or costs shall be incurred or payable by the Unit Holders for the reinvestment.

In the absence of the Unit Holder's written instructions, income distribution from the Fund will be automatically paid out to the Unit Holders via cheque. A Unit Holder must notify the Manager in writing seven (7) Business Days prior to each date fixed for the distribution of any change in his distribution instructions.

KEY RISKS

STOCK MARKET RISK - Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investors' sentiment generally. They may also decline due to factors that affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities. The market price of securities owned by the Fund might go down or up, sometimes rapidly or unpredictably.

CURRENCY RISK - As the Fund invests overseas, fluctuations in the denominated currencies of the foreign shares and fixed income securities/debentures it invests in may affect the price of the units. The Manager could utilise two pronged approaches in order to mitigate the currency risk. Firstly by spreading the investments across differing currencies (i.e. diversification) and secondly by hedging the currencies when it is deemed necessary.

COUNTRY RISK - The stock prices may be affected by the political and economic conditions of the country in which the stocks are listed. To mitigate these risks, the Manager will select securities that spread across countries within its portfolio in an attempt to avoid such events. Decision on diversification will be based on its constant fundamental research and analysis on the global markets.

LIQUIDITY RISK - Liquidity risk exists when particular investments are difficult to sell, possibly preventing the Fund from selling such illiquid securities at a favourable price. The Fund's principal investment strategies that involve foreign securities, derivatives or securities with substantial market and/or credit risk tend to have greater exposure to liquidity risk. As part of its risk management, the Manager will attempt to manage the liquidity of the Fund through asset allocation and diversification strategies within the portfolio. The Manager will also conduct constant fundamental research and analysis to forecast future liquidity of its investments.

SECTOR RISK - Securities may decline in value due to factors affecting the securities markets generally. The value of a security in a particular sector may decline due to general market conditions, such as real or perceived adverse economic conditions, cyclical or seasonal changes in the industry, technological changes within the industry, changes in the general outlook of the industry, corporate earnings, or adverse investors' sentiment generally. The Manager will endeavour to mitigate such risks by investing in a portfolio that diversifies the Fund's assets within that sector. This is expected to reduce the volatility as well as the risk for the Fund's portfolio.

INTEREST RATE RISK - Generally, bond prices move in the opposite direction of interest rates; a rise in interest rates will generally cause a fall in bond prices and vice versa. The Fund will experience a capital loss or capital gain should the bond be sold before maturity. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

CREDIT AND DEFAULT RISK - This refers to the likelihood that the company issuing the bonds and/or financial institution where liquid assets of the Fund are deposited may default. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings. Municipal bonds are subject to the risk that litigation, legislation or other political events, local business or economic conditions, or the bankruptcy of an issuer could have a significant effect on the issuer's ability to make payments of principal and/or interest. The Fund could lose money if the issuer or guarantor of a fixed income security, or the counterpart to a derivatives contract, repurchase agreement or a loan of portfolio securities or a financial institution, is unable or unwilling to make timely principal and/or interest payments, or to otherwise honour its obligations. Credit risk can be managed by performing continuous fundamental credit research and analysis to ascertain the creditworthiness of its issuer and/or financial institution. This risk refers to the possibility that the issuer of an instrument and/or financial institution will not be able to make timely payments of interest or principal repayment on the maturity date, where applicable. This may lead to a default in the payment of principal and interest and ultimately a reduction in the value of the Fund.

ISSUER RISK - The value of each individual fixed income securities that the Fund invests in may decline for a number of reasons which is directly related to the issuer, such as, the management performance, financial leverage and reduced demand for the issuer's goods or services. The Manager aims to reduce all these risks by using diversification that is expected to reduce the volatility as well as the risk for the Fund's portfolio.

INFLATION / PURCHASING POWER RISK - Inflation can be defined as increases of price level of goods and services and is commonly reported using the consumer price index as a measure. Inflation is one of the major risks to investors over the long term and results in uncertainty over the future value of the investments. Inflation reduces purchasing power of money. In an inflationary environment, fixed rate securities are exposed to higher inflation risks than inflation-linked securities. This risk can be minimised by investing in securities that can provide positive real rate of return.

REGULATORY RISK - Any changes in national policies and regulations may have an effect on the capital markets in which the Fund is investing. If this occurs there is a possibility that the unit price of the Fund may be adversely affected.

FUND PERFORMANCE

AVERAGE TOTAL RETURNS OF THE FUND

Average total returns for the following periods ended 31 May 2018

	1 Year	3 Years	5 Years	10 Years
RHB Dividend Valued Equity Fund (%)	-6.37	-1.97	1.87	0.19
Benchmark [^] (%)	8.10	10.30	12.76	6.97

ANNUAL TOTAL RETURNS OF THE FUND

Annual total returns for the following financial years ended 31 May

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
RHB Dividend Valued Equity Fund (%)	-6.37	12.35	-10.44	19.58	-2.60	13.11	-16.58	20.77	5.74	-22.88
Benchmark [^] (%)	8.10	30.23	-4.64	20.14	13.07	18.41	-13.17	23.10	13.52	-25.09

Source: Lipper IM, 9 June 2018. [^] The benchmark of the Fund is MSCI Asia Pacific Free ex Japan Index. The abovementioned Fund performance is computed on NAV to NAV basis and has been adjusted to reflect distributions payments and unit splits, if any.

For the latest financial year, the Fund recorded a loss of -6.37% whilst its benchmark recorded a gain of 8.10%.

PORTFOLIO TURNOVER RATIO ("PTR")

PTR (times)	Financial Year Ended 31 May		
	2018	2017	2016
	0.96	1.61	1.10

The PTR for the latest financial year was lower compared with previous financial year as there were lesser investment activities for the latest financial year.

DISTRIBUTION RECORD

	Financial Year Ended 31 May		
	2018	2017	2016
	Gross distribution per unit (sen)	2.0500	4.2000
Net distribution per unit (sen)	2.0500	4.2000	2.6000

For the latest financial year, the Fund has declared a total net distribution of 2.0500 sen per unit.

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	
Sales charge¹ by distribution channels	
Institutional Unit Trust Adviser (IUTA)	Up to 5.00 % of NAV per unit.
Tied (Retail) Agent	Up to 5.00 % of NAV per unit.
Direct Sales (Direct Investment with the Manager)	Up to 5.00 % of NAV per unit.

Note: Investors may negotiate for a lower sales charge.

Investments via the Employees Provident Fund ("EPF") Members' Investment Scheme will be levied a sales charge of up to 3.00% of the NAV per unit (or such other rate that may be determined by the EPF from time to time). Please note that there may be changes to the status of the eligibility of the Fund under the EPF Members' Investment Scheme from time to time. Investors may refer to <http://www.kwsp.gov.my> for updated information on the eligibility of the Fund under the EPF Members' Investment Scheme.

Repurchase charge	None.
Dilution fee or transaction cost factor	None.
Any other charges payable directly by the investors	
Switching fee ¹	RM25.00 per switch or the difference in sales charge between switching funds on the amount to be switched, where applicable.
Transfer fee	None.

This table describes the fees that you may indirectly incur when you invest in the Fund:

Fees and Expenses	
Annual management fee ¹	Up to 1.80% per annum of NAV before deducting the Manager's and Trustee's fees for that particular day.
Annual trustee fee ¹	0.06% per annum of NAV before deducting the Manager's and Trustee's fees for that particular day (excluding foreign custodian fee and charges).
Expenses directly related to the Fund	Auditors' fees, custodial charges, other relevant professional fees, cost of distribution of interim and annual reports, tax certificates, reinvestment statements, distribution cheques (where applicable) and other notices to Unit Holders, commissions or fees 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 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.

TRANSACTION INFORMATION

Minimum Initial Investment	RM1,000 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 Repurchase Units	Any number of units.
Restriction on Frequency of Repurchase	No restrictions.
Switching Facility	Available. Following a switch transaction, if the quantity of holdings of a Unit Holder in the Fund falls below its minimum holding, the Manager can withdraw the entire investment and forward the proceeds to the Unit Holder.
Minimum Investment Balance	2,000 units or such other lower quantity as the Manager may from time to time decide.
Transfer Facility	Available. Following a transfer transaction, if the quantity of holdings of a Unit Holder in the Fund falls below its minimum holding, the Manager can withdraw the entire investment and forward the proceeds to the Unit Holder.
Redemption Period	Unit Holder may receive the repurchase proceeds within ten (10) days from the date the Manager is in receipt of the duly completed repurchase forms. For EPF Unit Holders, the repurchase proceeds will be remitted to EPF by crediting into the members' provident account.

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. [#] These are the working days when the Manager is open for business.
Business Day	A day on which either the Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business. The Manager may declare certain business days to be a non-business day although Bursa Malaysia and/or the banks in Kuala Lumpur are open for business, if some foreign markets in which the Funds are invested in are closed for business.
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.

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. 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 for a Business Day will be conducted before 5:00 p.m. on the following day in which the Manager is open for business, when the closing prices of the foreign markets for that Business Day would be available.

As such, the daily price of the Fund for a particular Business Day will not be published in the major newspapers on the next day but will instead be published the next following day (i.e. the price will be two (2) days old). This will be specifically indicated in the major newspapers.

Investors may however obtain the most current computed price by contacting the Manager directly or visiting our website, www.rhbgroup.com.

EXITING FROM THIS INVESTMENT

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 branch offices, or to any of its authorised sales agents or participating IUTAs before their respective cut-off times.

The Manager does not impose any minimum amount for any repurchase transaction but subject to the minimum holding requirement.

There are no restrictions on the number of units of the Fund a Unit Holder can redeem out of his investments or the frequency of redemptions in a year. However, the Manager shall not be bound to comply with any request for redemption of units if the balance of units held after the redemption is less than two thousand (2,000) units or such other quantity as the Manager may from time to time decide (the "minimum holding"). For the avoidance of doubt, the Manager will deem an automatic request for a full repurchase of units to have been made by the Unit Holder should a request for partial redemption leave the balance of units held after the redemption less than the applicable minimum holding.

Unit Holders may receive the repurchase proceeds within ten (10) days from the date the Manager is in receipt of the duly completed repurchase forms. For EPF Unit Holders, the repurchase proceeds will be remitted to EPF by crediting into the members' provident account.

CONTACT INFORMATION

To contact the Manager or to find out about the distribution channels of the Fund, you may call us at 1-800-88-3175 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@rhbggroup.com.

HOW DO YOU LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:

❖ **via phone to:** 03-9205 8000 ❖ **via Unit Holders Services Toll-Free Hotline at:** 1-800-88-3175 ❖ **via fax to:** 03-9205 8100
❖ **via email to:** rhbam@rhbggroup.com ❖ **via website to:** www.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 email 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 email to:** aduan@seccom.com.my
❖ **via online complaint form available at:** www.sc.com.my ❖ **via letter to:** Consumer & Investor Office, Securities Commission Malaysia,
No 3 Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur.

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

❖ **via phone to:** 03-2092 3800 ❖ **via fax to:** 03-2093 2700 ❖ **via email to:** complaints@fimm.com.my
❖ **via online complaint form available at:** www.fimm.com.my ❖ **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.