

RHB ASIAN INCOME FUND – SGD

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of RHB Asset Management Sdn Bhd and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, 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

A copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The lodgement of this Product Highlights Sheet should not be taken to indicate that the Securities Commission Malaysia recommends the RHB Asian Income Fund – SGD 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 RHB Asset Management Sdn Bhd responsible for the RHB Asian Income Fund – SGD 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 RHB Asian Income Fund – SGD. Investors are advised to request, read and understand the Information Memorandum before deciding to invest.

PRODUCT HIGHLIGHTS SHEET

RHB ASIAN INCOME FUND – SGD

Name of Fund	RHB Asian Income Fund – SGD ("Fund").
Fund Category	Wholesale feeder fund.
Fund Type	Income fund.
Launch Date	5 November 2015.
Base Currency of Fund	SGD.
Initial Offer Period	21 days (i.e. 5 November 2015 – 25 November 2015).
Initial Offer Price	SGD 1.0000 per Unit.
Capital Protected / Guaranteed	No.

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

Subscription of Units is **ONLY** open to the following sophisticated investors:

1. An individual whose total net personal assets, or total net joint assets with his or her spouse, exceed RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence;
2. An individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding twelve months;
3. An individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies per annum in the preceding twelve months;
4. A corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;
5. A partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
6. A unit trust scheme or prescribed investment scheme;
7. A private retirement scheme;
8. A closed-end fund approved by the Securities Commission Malaysia;
9. A company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies;
10. A corporation that is a public company under the Companies Act 1965 which is approved by the Securities Commission Malaysia to be a trustee under the Capital Markets and Services Act 2007 and has assets under management exceeding RM10 million or its equivalent in foreign currencies;
11. A statutory body established by an Act of Parliament or an enactment of any State;
12. A pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967;
13. A holder of a capital markets services Licence or an executive director or a chief executive officer of a holder of a capital markets services license;
14. A licensed institution as defined in the Financial Services Act 2013;
15. An Islamic bank as defined in the Islamic Financial Services Act 2013;
16. An insurance company registered under the Financial Services Act 2013;
17. A takaful operator registered under the Islamic Financial Services Act 2013;
18. A bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010;
19. An Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010; and
20. Any other investor as may be defined by the Securities Commission Malaysia from time to time.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

The Fund aims to provide income[^] and capital growth over the medium to long term* by investing in one target fund, i.e. the Schroder Asian Income.

Note: [^] The income is in the form of Units.

*"medium to long term" in this context refers to a period of between 3 – 10 years.

Investment Strategy

The Fund will invest principally in one of the sub-funds of the Schroder International Opportunities Portfolio, that is, the class X units of the Schroder Asian Income ("Target Fund") denominated in SGD and managed by Schroder Investment Management (Singapore) Ltd ("Schroder Singapore"). The Target Fund is an open-ended collective investment scheme domiciled in Singapore and was launched on 31 August 2011. Schroder Singapore is regulated by the Monetary Authority of Singapore and the Target Fund is authorised under section 286 of the Securities and Futures Act (Chapter 289), Singapore. The investment objective of the Target Fund is to provide income and capital growth over the medium to longer term* by investing primarily in Asian equities (including real estate investment trusts) and Asian fixed income securities.

*Note: "medium to longer term" in this context refers to a period of between 3 – 10 years.

Although the Fund is not actively managed, the investments of the Fund will be rebalanced from time to time to meet Unit sales and Unit redemptions transactions. This is to enable proper and efficient management of the Fund.

This Fund is a feeder fund that invests at least 95% of NAV in the Target Fund. The risk management strategies and techniques employed will be at the Target Fund level.

Unit Holders are advised to read and understand the Target Fund's investment objective, focus and approach disclosed in the Information Memorandum.

Asset Allocation

At least 95% of NAV

- Investments in the class X units of the Target Fund.

Up to 5% of NAV

- Investments in liquid assets including money market instruments and placements of cash.

Benchmark

- 50% MSCI AC Asia Pacific ex Japan Net
- 50% JP Morgan Asia Credit Index (SGD Hedged)

The benchmark chosen best represents the investments of the Target Fund.

An investor may refer to the Manager or to Bloomberg L.P. for this benchmark indicator.

Note: The risk profile of the Fund is different from the risk profile of the benchmark.

Distribution Policy

Subject to the level of income, distribution, if any, after deduction of taxation and expenses (i.e. net distributions) is declared quarterly.

Any distribution made, will be out of the Fund's realised gain or realised income.

Mode of Distribution

Distributions, if any, after deduction of taxation and expenses (i.e. net distributions) will be reinvested to purchase additional Units based on NAV per Unit as at the first Business Day when Units are quoted ex-entitlement. Allotment of such Units shall be within two (2) weeks thereafter.

Parties Involved

WHO ARE YOU INVESTING WITH?

Manager	RHB Asset Management Sdn Bhd.
Trustee	HSBC (Malaysia) Trustee Berhad.
Auditor of the Fund and the Manager	PricewaterhouseCoopers.

KEY RISKS

WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

Key Risks of the Fund

Investing in this Fund is associated with the following risks:

(a) Management risk

As the Fund invests at least 95% of its NAV in the Target Fund, it is subject to the management risk of the management company and investment managers of the Target Fund. Poor management of the Target Fund by the Target Fund's management company will jeopardise the investments of the Fund in the Target Fund and in turn, the Unit Holders' investments through the risk of reduced returns and in some cases loss of capital invested in the Fund.

(b) Liquidity risk

The Fund is also exposed to liquidity risk as there is no secondary market for the Target Fund. Investments in the Target Fund can only be liquidated with the manager of the Target Fund or its appointed agents.

(c) Country risk

As the Target Fund is domiciled in Singapore, the Target Fund is subject to country risk. The Fund's investments in the Target Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in Singapore.

Key Risks of the Target Fund

Investments in the Target Fund are associated to the following risks:

- *Market risk in Asia*
- *Equity risk*
- *Currency risk*
- *Credit risk*
- *Investment grade, below investment grade and unrated debt securities risk*
- *Risks relating to distributions*
- *Emerging markets and frontier risk*
- *Derivatives risk*

These risks of the Target Fund are elaborated in the Information Memorandum.

FEES & CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Subscription fee / Sales charge ¹	<p>Up to 5.50% of investment amount.</p> <p>An investor can expect differing sales charge to be levied when buying Units from the various distribution channels and within each distribution channel (i.e. directly from the Manager or from any of its authorised sales agents or participating Institutional Unit Trust Advisers (IUTAs) or Corporate Unit Trust Advisers (CUTAs)), subject to the maximum sales charge stipulated above. This is due to the different levels of services provided by each distribution channel and/or the size of the investment undertaken.</p> <p>Please note that this Fund's investments in the units of the Target Fund will be at NAV per Unit. The sales charge for investing in the Target Fund will be waived by the Target Fund's manager.</p>
Repurchase charge	<p>1.00% of the redemption amount.</p> <p>Repurchase charge is payable by a Unit Holder if he redeems his investments within the 6 months period commencing from the last day of the initial offer period. After the 6 months period, no repurchase charge will be levied.</p> <p>All repurchase charge paid by the Unit Holders will be retained by the Manager.</p> <p>Note: The repurchase charge herein is a penalty in nature and is not subject to GST. However, the Manager reserves the right to charge GST without prior notification when directed to do so by the Royal Malaysian Customs or when there is a change in the interpretation of the nature of repurchase charge by the Royal Malaysian Customs.</p>
Switching fee	Not applicable.
Transfer fee ¹	SGD 5.00 per transfer.
Annual management fee ¹	<p>1.80% per annum of NAV calculated on a daily basis before deducting the Manager's fee and Trustee's fee for that particular day.</p> <p>A portion of this fee is paid to the Target Fund's manager, i.e. Schroder Singapore. As the Fund invests in units of the Target Fund, any management fee charged to the Target Fund by the Target Fund's manager in relation to the Fund's investments in the Target Fund will be fully refunded to this Fund. Accordingly, there is NO DOUBLE CHARGING OF MANAGEMENT FEE. This means that Unit Holders will incur ONLY ONE MANAGEMENT FEE and ONLY AT THE FUND'S LEVEL, i.e. at one point eight per cent (1.80%) per annum of NAV.</p>
Annual Trustee fee ¹	Up to 0.08% per annum of NAV before deducting the Manager's and Trustee's fees for that particular day (excluding foreign custodian fees and charges).
Expenses directly related to the Fund	Auditors' fees, other relevant professional fees, custodial charges, cost of distribution of quarterly and annual reports and other notices to Unit Holders, tax certificates, reinvestment statements, other transaction costs and taxes will be charged to the Fund.
Other expenses indirectly paid by an investor	<p>None levied by the Manager. However as this Fund will invest in the Target Fund, there are fees indirectly incurred by this Fund i.e. trustee fee which is incurred at the Target Fund level.</p> <p>The trustee fee of the Target Fund is currently not more than 0.05% per annum (maximum of 0.25% per annum and subject to a minimum of SGD10,000.00).</p>

¹ All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties (including but not limited to GST) as may be imposed by the government from time to time. The implementation of GST is effective 1 April 2015 at the rate of 6% and the fees and charges payable are exclusive of GST.

VALUATIONS AND EXITING FROM INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The Fund must be valued at least once every Business Day except during the Fund's initial offer period. However, the Target Fund in which the Fund invests in performs its valuation for its relevant business day on the day following its relevant business day. Accordingly, the valuation of the Fund for the relevant Business Day will be conducted before 5.00 p.m. on the following day in which the Manager is open for business, when the valuation of the Target Fund would have been obtained from Schroder Singapore.

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

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

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

The repurchase price is fixed at SGD 1.0000 per Unit during the Fund's initial offer period.

After the Fund's initial offer period, which ends on 25 November 2015, the repurchase price shall be the NAV per Unit as at the next valuation point of the relevant Business Day ("forward pricing") after the repurchase request is received by the Manager.

A repurchase charge may be computed separately based on the withdrawal amount/repurchase amount. The minimum redemption Units is 1,000 Units or such other lower quantity as the Manager may from time to time accept and for any partial redemption, the balance of Units after the redemption must be 1,000 Units or such other quantity as the Manager may from time to time decide (the "minimum holding at all times").

Units can be redeemed by forwarding the completed form of request to repurchase to the Manager's registered/principal office or any of its branches, or to any of its branches, or to any of its authorized sales agents or participating CUTAs or IUTAs on any day other than Saturdays, Sundays and public holidays before their respective cut-off times.

The NAV is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point. The NAV per Unit is determined when the NAV is divided by the total number of Units in circulation at that valuation point.

Redemption monies in the base currency of the Fund (i.e. SGD) are to be paid within ten (10) business days[#] after receipt by the Manager of the request to repurchase and payable to the Unit Holders' bank account. However, the time taken to pay the redemption proceeds to investors may be extended or delayed if the Target Fund is suspended and/or the redemption from the Target Fund is deferred. Should this occur, the Manager will pay the redemption proceeds to investors within ten (10) business days[#] after receipt by the Manager of the redemption proceeds from the manager of the Target Fund.

[#]These are the working days when the Manager is open for business.

CONTACT INFORMATION

HOW CAN YOU CONTACT US?

To contact the Manager or to find out about the distribution channels of the Fund, you may call Unit Holders Services Toll-Free Hotline: 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 or visit our website, www.rhbgroup.com

HOW DO YOU LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:

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| (a) via phone to | : 03-2164 3036 |
| (b) via Unit Holders Services Toll-Free Hotline at | : 1-800-88-3175 |
| (c) via fax to | : 03-2164 4226 |
| (d) via e-mail to | : rhbam@rhbggroup.com |
| (e) via website at | : www.rhbgroup.com |
| (f) via letter to | : RHB Asset Management Sdn Bhd
19th Floor, Plaza OSK,
Jalan Ampang,
50450 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):

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| (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 Securities Commission Malaysia ("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:

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| (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 |

GLOSSARY

Business Day	A day (other than a Saturday or a Sunday or a public holiday) in which Bursa Malaysia is open for trading and on which commercial banks in Singapore are open for business (or such other day as may from time to time be determined by the manager of the Target Fund with the approval of the trustee of the Target Fund).
Fund	RHB Asian Income Fund – SGD.
GST	Goods and Services Tax.
Information Memorandum	The information memorandum dated 5 November 2015 and its supplementary(ies) (if any).
Net Asset Value (NAV)	The net asset value of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point.
RM or Ringgit Malaysia	The lawful currency of Malaysia.
SGD or Singapore Dollar	The lawful currency of Singapore.
Target Fund	Schroder Asian Income.
Unit	A unit of the Fund and includes fractions of a unit of the Fund.
Unit Holder	The person(s) for the time being registered under the provisions of the deed as the holder of Units and person(s) jointly registered.