

Date: 3 August 2017

## **RHB DANA HAZEEM**

### **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 Dana Hazeem and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the RHB Dana Hazeem and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the RHB Dana Hazeem 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 Dana Hazeem 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 Dana Hazeem. Investors are advised to request, read and understand the Disclosure Documents before deciding to invest.

## PRODUCT HIGHLIGHTS SHEET

### RHB DANA HAZEEM

<b>Name of Fund</b>	RHB Dana Hazeem ("Fund").
<b>Manager</b>	RHB Asset Management Sdn Bhd.
<b>Shariah Adviser</b>	RHB Islamic Bank Berhad.
<b>Trustee</b>	HSBC (Malaysia) Trustee Berhad.
<b>Fund Category</b>	Balanced (Shariah-compliant) fund.
<b>Commencement Date</b>	18 February 2013.
<b>Financial Year End</b>	28 / 29 February.

### PRODUCT SUITABILITY

This Fund is suitable for investors who:

- (i) require investments that comply with Shariah requirements; and
- (ii) are willing to accept moderate risk in their investments in order to achieve long term\* growth and income<sup>^</sup>.

Note: \* "long term" in this context refers to a period of between 5 - 7 years.

<sup>^</sup>The income is in the form of units. Please refer to the Fund's distribution mode.

### KEY PRODUCT FEATURES

#### INVESTMENT OBJECTIVE

The Fund aims to maximise total returns through a combination of long term\* growth of capital and current income<sup>^</sup> consistent with the preservation of capital.

Note: \* "long term" in this context refers to a period of between 5 - 7 years.

<sup>^</sup> The income is in the form of units. Please refer to the Fund's distribution mode.

#### INVESTMENT STRATEGY

This Fund seeks to achieve its investment objective through a diversified portfolio of Shariah-compliant investments comprising Shariah-compliant equities, sukuk, Islamic money market instruments, Islamic deposits with financial institutions and Islamic collective investment schemes.

This Fund will generally adopt a balanced asset allocation strategy of 50% in Shariah-compliant equities and 50% in non-equity Shariah-compliant investments which are defensive in nature comprising sukuk, Islamic money market instruments and Islamic deposits with financial institutions (collectively known as "Non-Equity Shariah-Compliant Investments"). Investments in Shariah-compliant equities and Non-Equity Shariah-Compliant Investments may also be made via Islamic collective investment schemes.

Given this balanced asset mix, the Fund will be cushioned from wild swings in the equity market while still able to enjoy part of the appreciation from growth in the equity investments of the Fund. However, the actual percentage of assets invested in Shariah-compliant equities and Non-Equity Shariah-Compliant Investments will vary from time to time, depending on the judgement of the Manager as to the general market and economic conditions, trends and yields, interest rates and changes in fiscal and monetary policies. In reviewing this asset allocation strategy, the Fund's asset mix would normally range from 40% to 60% in Shariah-compliant equities and from 40% to 60% in Non-Equity Shariah-Compliant Investments to reflect the market conditions but subject always to a minimum allocation of 40% in Shariah-compliant equities and 40% in Non-Equity Shariah-Compliant Investments. Although the Fund is expected to be actively managed, the frequency of its trading strategy will very much depend on market opportunities.

When making investments, the Manager may invest up to 30% of the Net Asset Value in foreign markets. The Fund will invest in Shariah-compliant securities / instruments listed on or traded in Asia Pacific ex Japan markets (such as Australia, China, Hong Kong SAR, India, Indonesia, New Zealand, Philippines, Singapore, Vietnam, South Korea, Sri Lanka, Taiwan and Thailand) including Shariah-compliant securities / instruments of Asia Pacific ex Japan companies that are listed on or traded in non-Asia Pacific ex Japan markets (such as the New York Stock Exchange and the London Stock Exchange).

The Fund's investments in Shariah-compliant equities comprise of equity and equity related securities of companies listed on the local and/or foreign markets which, in the Manager's opinion, will have good growth potential and/or the ability to provide good dividend yield over a long term period. In seeking investments in companies of good growth potential, the Fund will look to companies with sales or earnings growth that are stronger than the industry average and/or the country's Gross Domestic Product (GDP) growth, whereas "good dividend yield" refers to yield that is above the average industry dividend yield in the country of investment, and "long term" refers to a period of between 5 - 7 years.

The Fund's investments in sukuk may comprise of sukuk issued by corporations, financial institutions, supra-nationals, local or foreign governments and their agencies. Sukuk issued by Malaysian incorporated companies must carry a rating of at least BBB at the point of purchase by RAM Rating Services Berhad or its equivalent rating by any other reputable rating establishment. Foreign sukuk issued by corporations and financial institutions must carry a rating of BB or higher at the point of purchase by Standard & Poor's or its equivalent rating by any other reputable rating establishment whereas sukuk issued by supra-nationals, governments and their agencies need not be rated.

The Fund's investments in Islamic money market instruments may comprise of Islamic money market instruments issued by the

government which amongst others comprise of Government Investment Issues (GII), Islamic Accepted Bills, Bank Negara Monetary Notes, Islamic Negotiable Instruments, Cagamas Sukuk and other government Islamic papers whereas Islamic money market instruments issued by Malaysian incorporated companies are those issued by such companies which carry a rating of at least P3 by RAM Rating Services Berhad or its equivalent rating by any other reputable rating establishment at the point of purchase.

Placements of Islamic deposits with any financial institution are placements such as in General Investment Account (GIA) or Islamic fixed deposits.

The Fund's investments may also comprise of Islamic collective investment schemes which are consistent with the underlying investments of the Fund.

The Fund's portfolio will be structured as follows:

40% - 60% of Net Asset Value

- Investments in Shariah-compliant equity and equity related securities of companies that have dividend and/or growth potential.

40% - 60% of Net Asset Value ("NAV")

- Investments in Non-Equity Shariah-Compliant Investments.

The actual asset allocation will be reviewed from time to time depending on economic and market conditions.

For investments in foreign markets, the Manager in managing the principal risks such as country risk and currency risk will always take into consideration its evaluation of the historical developments and its prior experience in such markets. Such practice will be managed through active management and constant review of the economic and political developments of the countries invested. Investments will ultimately be made based on risk-reward.

The risk management strategies and techniques employed by the Manager include diversification of the Fund's investments in terms of its exposure to various industries, sectors and countries. Further, as the Fund is a balanced fund with minimum investment of 40% of NAV in Shariah-compliant equities and 40% of NAV in Non-Equity Shariah-Compliant Investments, the Fund is able to alleviate the risks associated with single asset class investments such as an all Shariah-compliant equities investment or an investment wholly invested in Non-Equity Shariah-Compliant Investments such as a sukuk fund. This therefore reduces the risk associated or peculiar to a particular asset class. Generally, the assets of the Fund will be invested over the long term with disposal of the Shariah-compliant investments where necessary to control risk as well as to optimise capital gains. This is especially so when the full growth potential of an investment is deemed to have been reduced over a prolonged rise in Shariah-compliant equity values and the available alternative Shariah-compliant investment may present cheaper valuations and potential higher returns. The Fund also complies with the permitted investments and restrictions imposed by the Securities Commission. Adherence to these permitted investments and restrictions also helps the Manager to risk-manage the Fund's portfolio in terms of diversification. Moreover, the Manager in making its investment decisions shall at all times comply with the investment restrictions of the Fund and requirements as set out in the Deed.

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 the Fund's Shariah-compliant equities investments into other asset classes which are defensive in nature such as sukuk, Islamic money market instruments and non-equity Islamic collective investment schemes or just make placements in Islamic deposits with any financial institutions. In its reallocation, the level of Shariah-compliant equities investments would not fall below 20% of the Net Asset Value.

#### BENCHMARK

Composite Benchmark comprising:

50% FTSE Bursa Malaysia Emas Shariah Index; and

50% Maybank Islamic Bank Berhad 12-month Islamic fixed deposit.

#### DISTRIBUTION

Distribution Policy	The Fund will declare distributions, if any, to Unit Holders depending on the level of income generated at each relevant period. Distributions, if any, after deduction of taxation and expenses (i.e. net distributions) are declared annually.
Distribution Mode	Distributions, if any, after deduction of taxation and expenses (i.e. net distributions) will be reinvested to purchase additional units of the Fund based on the Net Asset Value per unit as at the first Business Day when units in the Fund are quoted ex-entitlement. Allotment of such units shall be within two (2) weeks thereafter.

#### KEY RISKS

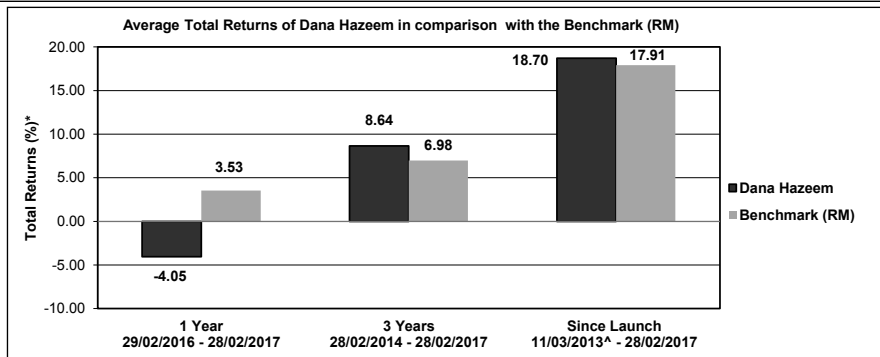
As this Fund generally invests 50% of Net Asset Value in Shariah-compliant equities and 50% of Net Asset Value in Non-Equity Shariah-Compliant Investments, it will therefore be subject to the following risks:	
Market risk	Market risk is a risk that arises when the prices of investments in the marketplace are affected by circumstances such as political or economic events. These circumstances, which may be a local or global event can affect the markets where the Fund is invested in or global markets and subsequently the value of the Fund's investments.
Particular security risk	The Fund's portfolio may comprise of Shariah-compliant equities, sukuk, Islamic money market instruments, Islamic deposits placed with financial institutions and Islamic collective investment schemes. The fluctuation in the performance of each individual Shariah-compliant security that the Fund invests in will affect the price of the units of the Fund. Valued collectively, the performance of individual Shariah-compliant securities comprising the Fund's portfolio will cause the unit price of the Fund to rise or fall accordingly.
Reclassification of Shariah status risk	This risk refers to the risk that the currently held Shariah-compliant securities in the Fund may be reclassified to be Shariah non-compliant in the periodic review of the securities by the SACSC, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, the External Investment Manager will take the necessary steps to dispose such securities in accordance with the Shariah Guidelines stipulated by the Shariah Adviser. The value of the Fund may be adversely affected as there may be opportunity loss to the Fund due to the Fund not being allowed to retain all or part of the excess capital gains derived from the disposal of the Shariah non-compliant securities.

Interest rate risk	This Fund is also subject to interest rate risk. It does not in any way suggest that the Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements. This risk refers to the effect of interest rate changes on the market value of the sukuk portion of the portfolio. In the event of rising interest rates, demand for sukuk will generally decrease and vice versa. Meanwhile, sukuk with longer maturities and lower profit rates are more sensitive to interest rate changes.
Credit / Default risk	This refers to the creditworthiness of the sukuk issuer and its expected ability to pay the principal and/or profit due. Default happens when the issuer is not able to make timely profit payments and/or pay the principal in a timely manner thus affecting the value of the Fund's investments and subsequently the value of Unit Holders' investments.

As this Fund may invest up to 30% of its Net Asset Value in foreign markets, it may be subject to further risks, such as currency risk and country risk, when compared to a portfolio which concentrates its holdings in a single market or economy.

## FUND PERFORMANCE

### AVERAGE TOTAL RETURNS OF THE FUND



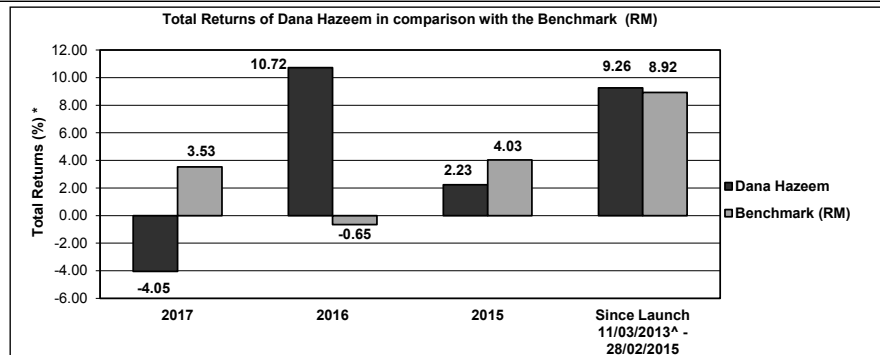
Source: Lipper IM.

<sup>^</sup>Being the last day of the Fund's initial offer period.

\* The abovementioned Fund performance is computed on Net Asset Value to Net Asset Value basis and has been adjusted to reflect distributions and unit splits, if any and are annualised.

Since the Fund's launch date, the Fund has registered average total returns of 18.70% in NAV terms while its benchmark registered an average total return of 17.91%.

### ANNUAL TOTAL RETURNS OF THE FUND



Source: Lipper IM.

<sup>^</sup>Being the last day of the Fund's initial offer period.

\* The abovementioned Fund performance is computed on Net Asset Value to Net Asset Value basis and has been adjusted to reflect distributions and unit splits, if any.

For the last financial year, the Fund registered a negative return of 4.05%, while its benchmark recorded a gain of 3.53%.

PORTFOLIO TURNOVER RATIO			
Portfolio Turnover Ratio ("PTR")	Financial Year Ended 28 / 29 February		
	2017	2016	2015
	0.56 times	0.99 times	1.23 times
The PTR for the financial year was lower compared with the previous financial year due to increase in average net asset value during the financial year.			
ASSET ALLOCATION			
As at the Fund's latest financial year end (i.e. 28 February 2017), the Fund was 40.63% invested in sukuk, 48.74% invested in Shariah-compliant equities and the remaining of 10.63% in cash and Islamic deposits.			
	As at 28/02/2017 %	As at 29/02/2016 %	As at 28/02/2015 %
<b>Equities</b>			
Consumer Products	23.88	23.52	11.35
Finance	1.28	-	-
Industrial Products	9.23	17.48	16.45
Plantation	1.53	-	-
Properties	-	-	4.32
Trading/Services	12.82	15.36	22.52
	48.74	56.36	54.63
<b>Fixed Income Securities</b>			
Unquoted sukuk	40.63	40.16	38.05
Liquid assets and other net current assets	10.63	3.48	7.32
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
DISTRIBUTION RECORD			
	Financial Year Ended 28 / 29 February		
	2017	2016	2015
	Gross distribution per unit (sen)	1.1000	4.2500
Net distribution per unit (sen)	1.1000	4.2500	3.8000
The distribution was reinvested to purchase additional units of the Fund based on the Net Asset Value per unit as at the first Business Day when units in the Fund were quoted ex-entitlement.			
<b>PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.</b>			
FEES & CHARGES			
<i>This table describes the charges that you may directly incur when you buy or redeem units of this Fund:</i>			
<b>Charges</b>			
<b>Sales charge<sup>1</sup> by distribution channels</b>			
Institutional Unit Trust Adviser (UTA)	Up to 6.38% of investment amount.		
Tied (Retail) Agent	Up to 6.38% of investment amount.		
Direct Sales (Direct Investment with the Manager)	Up to 6.38% of investment amount.		
An investor can expect differing sales charge to be levied when buying units of the Fund from the various distribution channels and within each distribution channel, subject to the maximum sales charge stipulated herein. This is due to the different levels of services provided by each distribution channel and/or the size of the investment undertaken.			
Investments via the EPF Members' Investment Scheme will be levied a sales charge of up to 3.00% of investment amount (or such other rate that may be determined by the EPF from time to time).			
<b>Repurchase charge</b>	None.		
<b>Dilution fee or transaction cost factor</b>	None.		
<b>Other charges payable directly by the investors</b>			
Switching fee <sup>1</sup>	RM25.00 per switch or the difference in sales charge which is deductible from the redemption amount of the units to be switched, where applicable.		

Transfer fee <sup>1</sup>	RM5.00 per transfer.
<b><i>This table describes the fees that you may indirectly incur when you invest in the Fund:</i></b>	
<b>Fees and Expenses</b>	
Annual management fee <sup>1</sup>	1.50% per annum of Net Asset Value before deducting the Manager's and Trustee's fees for that particular day.
Annual trustee fee <sup>1</sup>	Up to 0.08% per annum of Net Asset Value 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, custodial charges, other relevant professional fees, cost of distribution of interim and annual reports, tax certificates, reinvestment statements or distribution cheques (where applicable) and other notices to Unit Holders, commissions paid to brokers, other transaction costs and taxes.
Other fees payable indirectly by an investor (if any)	None.

<sup>1</sup> The implementation of GST is effective from 1 April 2015 at the rate of 6% and the fees and charges payable are exclusive of GST.

**Note:** The Manager may, for any reason at any time, waive or reduce the amount of its management fee only or all charges directly payable by the Unit Holder and/or investor in respect of the Fund, either generally (for all Unit Holders and/or investors) or specifically (for any particular Unit Holder and/or investor) and for any period or periods of time at its absolute discretion.

### 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 and Frequency of Switching	The minimum amount for a switch to another fund is RM1,000.00. There are no restrictions as to the number of switches a Unit Holder may perform or the frequency of switching. However, switching from a Shariah-compliant fund to a conventional fund is discouraged especially for Muslim Unit Holders.
Minimum Investment Balance	100 units or such other lower quantity as the Manager may from time to time decide.
Transfer Facility	Available. In the event of a partial transfer, both the transferor and the transferee must each hold a minimum investment balance of one hundred (100) units after the transfer.
Redemption Period	Redemption monies to be paid within ten (10) days after receipt by the Manager of the request to repurchase. For EPF Unit Holders, the repurchase proceeds will be remitted to Kumpulan Wang Simpanan Pekerja ("KWSP") 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 <sup>#</sup> which shall be effective from the date of receipt of the application by the Manager, subject to eligibility. <sup>#</sup> These are the working days when the Manager is open 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.

The valuation of the Fund for a Business Day will be conducted before 5:00 pm 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. price will be two (2) days old). This will be specifically indicated in the major newspapers.

Investors may obtain the most current computed price by contacting the Manager directly or visiting our website, [www.rhbgroup.com](http://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 participating IUTAs or to any other authorised distributors before their respective cut-off times.

The redemption monies will be paid within ten (10) days after receipt by the Manager of the request to repurchase.

For partial redemption, the balance of units held after the redemption must be at least one hundred (100) units or such other lower quantity as the Manager may from time to time decide (the "minimum investment balance"). There are no restrictions on the number of units 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 the minimum investment balance.

For EPF Unit Holders, the repurchase proceeds will be remitted to KWSP 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@rhbgroup.com](mailto:rhbam@rhbgroup.com).

### HOW DO YOU LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:
  - (a) via phone to : 03-9205 8000
  - (b) via Unit Holders Services Toll-Free Hotline at : 1-800-88-3175
  - (c) via fax to : 03-9205 8100
  - (d) via e-mail to : [rhbam@rhbgroup.com](mailto:rhbam@rhbgroup.com)
  - (e) via website at : [www.rhbgroup.com](http://www.rhbgroup.com)
  - (f) 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):
  - (a) via phone to : 03-2282 2280
  - (b) via fax to : 03-2282 3855
  - (c) via e-mail 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
  
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:
  - (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](mailto:aduan@seccom.com.my)
  - (d) via online complaint form available at : [www.sc.com.my](http://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
  
4. 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 e-mail 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

## GLOSSARY

Business Day	A day (other than Saturdays, Sundays and public holidays) in which Bursa Malaysia is open for trading.
Disclosure Documents	The Fund's prevailing prospectus and its supplementary(ies) (if any).
EPF	Employees Provident Fund.
Fund	RHB Dana Hazeem ("Dana Hazeem").
GST	Goods and services tax.
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.
SACSC	Shariah Advisory Council of the Securities Commission Malaysia.
Unit Holder(s)	The person(s) for the time being registered under the provisions of the deed as the holder(s) of units and person(s) jointly so registered.