

RHB EUROPEAN SELECT FUND

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of RHB Asset Management Sdn Bhd 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 relevant information and document in relation to the RHB European Select Fund, including a copy of this Product Highlights Sheet have 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 RHB European Select Fund, including this Product Highlights Sheet should not be taken to indicate that the Securities Commission Malaysia recommends the RHB European Select 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 RHB Asset Management Sdn Bhd responsible for the RHB European Select 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 RHB European Select Fund. Investors are advised to request, read and understand the Disclosure Documents before deciding to invest.

PRODUCT HIGHLIGHTS SHEET

RHB EUROPEAN SELECT FUND

Name of Fund	RHB European Select Fund ("Fund").
Manager	RHB Asset Management Sdn Bhd.
Trustee	TMF Trustees Malaysia Berhad.
Fund Category	Feeder fund.
Target Fund	Threadneedle European Select Fund ("Threadneedle ESF").
Target Fund's Management Company	Threadneedle Investment Services Limited.
Fund Launch Date	3 March 2015.

PRODUCT SUITABILITY

Subscription of Units of the Fund 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; or
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; or
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; or
4. A corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts; or
5. A partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies; or
6. A unit trust scheme or prescribed investment scheme; or
7. A private retirement scheme; or
8. A closed-ended fund; approved by the Securities Commission Malaysia; or
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; or
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; or
11. A statutory body established by an Act of Parliament or an enactment of any State; or
12. A pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967; or
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 licence; or
14. A licensed institution; as defined in the Financial Services Act 2013; or
15. An Islamic bank; as defined in the Islamic Financial Services Act 2013; or
16. An insurance company registered under the Financial Services Act 2013; or
17. A takaful operator registered under the Islamic Financial Services Act 2013; or
18. A bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010; or
19. An Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010; or
20. Any other investor as may be defined by the Securities Commission Malaysia from time to time.

KEY PRODUCT FEATURES

INVESTMENT OBJECTIVE

The Fund aims to achieve capital growth over the long term* by investing in one target fund, i.e. the Threadneedle European Select Fund.

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

INVESTMENT STRATEGY

The Fund will invest principally in one of the sub-funds of the Threadneedle Investment Funds ICVC, that is, the Threadneedle European Select Fund ("Threadneedle ESF") which is managed by Threadneedle Investment Services Limited. The Threadneedle ESF is an open-ended collective investment scheme domiciled in the United Kingdom and was launched in November 1986. The Fund will invest in the class of Units denominated in Singapore Dollars ("SGD") i.e. the SGD Hedged Net Accumulation Shares - Class 1 of the Threadneedle ESF. Threadneedle ESF is authorised and regulated by the Financial Conduct Authority of the United Kingdom ("FCA") under the Financial Services and Markets Act 2000.

Threadneedle Investment Funds ICVC is an open-ended investment company with variable capital incorporated in England and Wales and authorised by the FCA with effect from 18 June 1997. Threadneedle Investment Funds ICVC has been certified by the FCA and is an Undertakings for Collective Investment in Transferable Securities Directive (2009/65/EC) ("UCITS") and is a UCITS scheme under the FCA rules. The manager of Threadneedle ESF, Threadneedle Investment Services Limited is registered by the FCA.

The investment objective of Threadneedle ESF is to achieve above average capital growth¹ and its investment policy is to invest mainly² in a relatively concentrated³ portfolio of equities of companies domiciled in Continental Europe⁴ or which have significant Continental European operations⁵.

Although the Fund is passively managed, the investments of the Fund will be rebalanced from time to time to meet sales and redemptions transactions and to enable the proper and efficient management of the Fund.

The Manager does not adopt a temporary defensive position for the Fund in response to adverse market, economic, political, or any other conditions as such defensive strategies are expected to be implemented at the target fund level, i.e. the Threadneedle ESF, when deemed necessary by Threadneedle ESF's manager. The Manager does not adopt any temporary defensive positions for the Fund as this will allow the Fund to best track the performance of the Threadneedle ESF. It also follows that if the Threadneedle ESF fails to adopt a successful defensive position in response to adverse market and economic conditions, there is a risk that the Fund will mirror the Threadneedle ESF's negative performance, if any. Also, investors should note that at all times the Fund is always subject to currency risk.

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

Notwithstanding anything contained herein, the Manager may, in consultation with the trustee of the Fund ("Trustee") and with the approval of the Unit Holders of the Fund ("Unit Holders"), replace the Threadneedle ESF with another fund of a similar objective if, in the Manager's opinion, the Threadneedle ESF no longer meets the Fund's investment objective, or when acting in the interest of the Unit Holders.

Explanatory notes:

¹Threadneedle ESF targets to outperform the benchmark, FTSE World Europe Ex UK by 3% per annum over a rolling 3-year period.

²"mainly" means not less than two-thirds of the net asset value of Threadneedle ESF. Up to one-third of the net asset value of Threadneedle ESF may be invested in bonds (including asset-backed securities), equities from other companies that are not domiciled in Continental Europe or have significant Continental European operations and money market securities.

³The Threadneedle ESF portfolio will hold between 35 – 60 stocks.

⁴Continental Europe refers to the Eurozone (Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia, Spain), Scandinavia (Denmark, Norway, Sweden) and Switzerland.

⁵significant Continental Europe operations" refers to the companies that have at least 50% of its revenue derived from Continental Europe and/or have at least 50% of its business operations located in the Continental Europe.

ASSET ALLOCATION

At least 95% of Fund's NAV

- Investments in Units of Threadneedle European Select Fund.

2% to 5% of Fund's NAV

- Investments in liquid assets including money market instruments and Placements of Cash*.

*Note: These are placements of cash in any deposits or investment accounts with any financial institution(s) that are not embedded with or linked to financial derivative instruments.

BENCHMARK

FTSE World Europe ex UK (RM).

The benchmark chosen best represents the investments of the Threadneedle ESF. The Ringgit Malaysia ("RM") equivalent of the benchmark that is translated by Bloomberg L.P. is obtained by the Manager from the Bloomberg L.P. 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

Distribution Policy

Distributions are of secondary importance and distributions, if any, after deduction of taxation and expenses will be reinvested.

Distribution Mode

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

Note: The Fund's source of distributions is from the capital gains from its investment in the Threadneedle ESF.

KEY RISKS

KEY RISKS OF THE FUND

Management risk	As this Fund invests at least 95% of NAV in the target fund, Threadneedle ESF, it is subject to the expertise of the manager and the investment manager of Threadneedle ESF. Poor management of the Threadneedle ESF will jeopardise the investment of this Fund in the Threadneedle ESF and in turn, the Unit Holders' investment through the risk of reduced returns and in some cases the Unit Holders may also lose their capital invested in this Fund.
Currency and country risk	As the Fund invests in SGD denominated shares of Threadneedle ESF that is domiciled in the United Kingdom, the Fund is subject to currency and country risk. Changes in rates of exchange between the currencies of SGD and RM may cause the value of this Fund's investment in the Threadneedle ESF to diminish or increase, which in turn will affect the value of the Unit Holders' investments. The Fund's investments in the Threadneedle ESF may be adversely affected by political instability as well as any exchange controls, changes in taxation, foreign investment policies and restrictions on repatriation of investments, which may be imposed by the relevant authorities in United Kingdom.

KEY RISKS OF THE TARGET FUND

Investments of the Threadneedle ESF are subject to the following risks:

- Market risk
- Currency risk
- Hedged share classes
- Effect of portfolio concentration
- Restrictive geographical market

These risks of the Threadneedle ESF are elaborated in the Disclosure Documents.

FEES & CHARGES

Subscription fee¹ / Sales charge¹ by distribution channels

Corporate Unit Trust Adviser (CUTA)	Up to 5.50% of investment amount.
Institutional Unit Trust Adviser (IUTA)	Up to 5.50% of investment amount.
Tied (Retail) Agent	Up to 5.50% of investment amount.
Direct Sales (Direct investment with the Manager)	Up to 5.50% 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 above. This is due to the different levels of services provided by each distribution channel and / or the size of the investment undertaken.

Please note that this Fund's investments in Threadneedle ESF will be at its net asset value per Unit. The sales charge for investing in Threadneedle ESF will be waived by the manager of Threadneedle ESF.

Repurchase charge	None.
Switching fee ¹	A switching fee of RM25.00 will be imposed and deducted from the redemption amount of the Units of the Fund to be switched for a switch between funds that impose a similar sales charge or a switch to a fund that impose a lower sales charge. Unit Holders switching to a fund that imposes a higher sales charge will pay the difference in sales charge which is deductible from the redemption amount of the Units of the Fund to be switched. The Manager however, reserves the right to vary this fee or to vary the terms of the switching facility.
Transfer fee ¹	RM5.00 per transfer.
Annual management fee ¹	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. A portion of this fee is paid to Threadneedle Investment Services Limited. As this Fund invests in Units of Threadneedle ESF, any management fee charged to the Threadneedle ESF by the Threadneedle ESF's manager in relation to the Fund's investments in the Threadneedle ESF 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.
Annual trustee fee ¹	Up to 0.06% 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, transaction costs and taxes will be charged to the Fund.

Other expenses indirectly paid by an investor	None levied by the Manager. However, as this Fund will invest in the Units of Threadneedle ESF, there are fees indirectly incurred by this Fund i.e. depository's fee, custodian's fees, on-going registration and general expenses which are incurred at the Threadneedle ESF level. Details are as follows:	
	Depository's fee	0.0008% per annum of net asset value of the Threadneedle ESF
	Custodian's fees	The custodian's fees payable by the Threadneedle ESF is calculated based on value of assets according to such rate as determined by the territory or country in which the assets of Threadneedle are held. Currently, the lowest rate is 0.002% and the highest rate is 0.38%. In addition, the Threadneedle ESF's custodian makes a transaction charge determined by the territory or country in which the transaction is effected. Currently, these transaction charges range from £3.80 to £60 per transaction.
	Registration and general expenses	0.15% per annum of net asset value of the Threadneedle ESF.

Goods and Services Tax ("GST") 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.

¹ 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.

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 THIS INVESTMENT

VALUATION OF ASSETS

The Fund must be valued at least once every Business Day. As the target fund that the Fund invests in, Threadneedle ESF, is domiciled in United Kingdom, the valuation of the Threadneedle ESF for a relevant dealing day is performed on a different time zone from Malaysia.

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 Threadneedle ESF for the day in question would have been obtained from the manager of the Threadneedle ESF.

As such, the daily price of the Fund for a particular Business Day will not be published in the media 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, www.rhbgroup.com

EXITING FROM THIS INVESTMENT

The Repurchase Price shall be the NAV per Unit of the Fund as at the next valuation point of the Fund's 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 of the Fund is 10,000 Units or such other quantity as the Manager may from time to time decide and for any partial redemption, the balance of Units of the Fund after the redemption must be at least 10,000 Units (the "minimum holding at all times").

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 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.

Redemption monies are to be paid within ten (10) business days* after receipt by the Manager of the request to repurchase and payable to Unit Holders bank account.

*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@rhbgroup.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 | : 03-9205 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 |
| (e) via website at | : 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 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:
- (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
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
 - (d) via online complaint form available at : www.fimm.com.my
 - (e) 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

GLOSSARY

Business Day	A day (other than Saturdays, Sundays and public holidays) on which Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business, and a day which is a dealing day as determined by the manager of the target fund, Threadneedle ESF).
Fund	RHB European Select Fund.
GST	Goods and Services Tax.
Disclosure Documents	The Fund's prevailing information memorandum 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.
Repurchase Price	The price (before deducting any repurchase charge) payable by the Manager to a Unit holder of the Fund pursuant to the repurchase of a Unit of the Fund.
RM	Ringgit Malaysia.
Unit	A unit of the Fund and includes fractions of a unit of the Fund.
Unit Holder(s)	The person for the time being who is registered pursuant to the deed as a holder of units, including a jointholder, provided always that a Unit Holder and jointholder is a qualified investor.