

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

RHB CHINA-ASEAN FUND (the “Fund”)

Product Type	Unit Trust	Launch Date	18 September 2018
Managers	RHB Asset Management Pte. Ltd.	Custodian	BNP Paribas Securities Services, operating through its Singapore Branch
Trustee	BNP Paribas Trust Services Singapore Limited	Dealing Frequency	Every Business Day
Capital Guaranteed	No	Expense Ratio for Financial Year ended 31 December	Not Available

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

- The Fund is only suitable for investors who:
 - seek to achieve medium to long-term capital appreciation;
 - seek to gain exposure to a portfolio comprising equities of corporations listed on any Recognised Stock Exchange in any part of the world and which carry on significant business in, or whose operations are in, or which derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from, China, Hong Kong and Southeast Asian Countries which may be members of ASEAN (Association of Southeast Asian Nations); and
 - are willing and able to accept that their principal will be at risk.

Further Information
Refer to paragraph 7.2 of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

- You are investing in a unit trust constituted in Singapore whose investment objective is to achieve medium to long-term capital appreciation by investing primarily in the equities of corporations listed on any Recognised Stock Exchange in any part of the world and which carry on significant business in, or whose operations are in, or which derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from, China, Hong Kong and Southeast Asian countries including members of ASEAN.
- The Fund may also, at times, be substantially invested in money market instruments and cash when necessary to preserve capital.
- Class A Units (SGD) and Class I Units (SGD) which are denominated in SGD, Class A Units (USD) and Class I Units (USD) which are denominated in USD and Class A Units (RMB) and Class I Units (RMB) which are denominated in RMB are available for subscription. Class I Units may only be subscribed by institutional investors.
- In respect of each of the Classes, the Managers have the absolute discretion to determine whether any distributions should be made to Holders of Units in the relevant Class. The Managers will decide whether a distribution is to be made based on various factors, including dividend and/or interest income and/or capital gains derived from the underlying investors of the Fund. If income and dividends generated from the underlying investments of the Fund are insufficient to fund a distribution for that Fund, the Managers may in their discretion, with the consent of the Trustee, determine that such distributions should be paid from the capital of the Fund. Holders may elect for all (but not part) of the distributions to be received for Units of the Fund to be automatically reinvested in the purchase for additional Units in the Fund.

Refer to paragraph 7.1 of the Prospectus for further information on features of the product.

¹ The Prospectus is available for collection at Managers' operating office at 10 Collyer Quay, #09-08 Ocean Financial Centre, Singapore 049315, from Monday to Friday during normal business hours.

<p>Where distributions are paid out of capital of a Class, the net asset value of the relevant Class will be reduced and this will be reflected in the Realisation Price of the Units of that Class. Holders redeeming their Units may therefore receive an amount less than their initial investment. Such distributions may also result in reduced future returns to Holders.</p>	
Investment Strategy	
<ul style="list-style-type: none"> • The Managers believe that active management can add value to investors. The Managers combine top-down fundamental research to identify economic and social trends and bottom-up stock research seeking out mispriced companies with quality characteristics focusing on business model (uniqueness of the business, market leadership, sector dynamics, competitor landscape, company specific demand-supply dynamics), profitability (earnings growth potential, revenue outlook, margin trend, earnings certainty), company financials (gearing analysis, currency exposure) and corporate governance (management, dividend policy). • The Fund is benchmark agnostic and the Managers aim to deliver sustainable outperformance relative to the benchmark over the medium to long-term by investing in mispriced quality stocks. • The Managers have engaged the Investment Advisor to leverage on their expertise in the China and Hong Kong markets (“Greater China”). The Investment Advisor performs macroeconomic market advisory and stock recommendations in relation to securities in the Greater China region. Investments will ultimately be made based on risk-reward profiles. • The Managers may use the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively the “Stock Connect”) to invest in China equities. • The investments of the Fund will be broadly diversified with no specific industry or sectoral emphasis. • The Fund shall comply with Appendix 1 of the Code on Collective Investment Schemes issued by the Authority, as amended from time to time (the “Code”). • The Managers may in their absolute discretion, subject to the applicable investment restrictions as may from time to time be prescribed by the Authority, invest in financial derivative instruments (“FDIs”) for the purposes of hedging and/or efficient portfolio management. • <u>Asset Allocation</u> The geographical asset allocation of the Fund will be reviewed and determined on a quarterly basis and variations may be made depending on prevailing market conditions. The Managers intend to invest up to:- <ol style="list-style-type: none"> (1) 80% of the Fund’s net asset value into companies in the Southeast Asian region; or (2) 80% of the Fund’s net asset value into companies in the Greater China region. For the avoidance of doubt, the Managers may invest all of the Fund’s assets into equities. 	<p>Refer to paragraph 7.1 of the Prospectus for further information on the investment strategy of the product.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <ul style="list-style-type: none"> • The Managers are RHB Asset Management Pte. Ltd. • The Trustee and Registrar is BNP Paribas Trust Services Singapore Limited. • The Investment Advisor is Shenwan Hongyuan Singapore Private Limited. • The Custodian and Administrator is BNP Paribas Securities Services, operating through its Singapore Branch. • The Auditors are PricewaterhouseCoopers LLP. 	<p>Refer to paragraphs 2, 3 and 4 of the Prospectus for further information on these entities.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment:</p>	<p>Refer to paragraph 9 of the Prospectus for further information on risks of the product.</p>
Market and Credit Risks	
<ul style="list-style-type: none"> • You are exposed to market risks. Prices of securities that the Fund invests in may be affected by circumstances such as political or economic events. • You are exposed to country risks. Prices of securities that the Fund invests in foreign markets may be affected by risks specific to that foreign country, such as changes in the country’s economic fundamentals, social and political stability, currency movements and foreign investments policies. • You are exposed to credit and default risks. The downgrading of a rated debt instrument or adverse publicity and investor perception could decrease the value and liquidity of the debt instrument. An economic recession may adversely affect an issuer’s financial 	

condition and the market value of debt instruments issued by such an entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts. All this may impact the valuation of the Fund or result in the Fund experiencing losses.

Liquidity Risks

- **The Fund is not listed and you can only redeem your Units on a Dealing Day.**
- **You are exposed to the liquidity risks.** Circumstances such as limited free-float shares or due to small capitalisation companies where stocks trade less frequently and in smaller volume would make a security difficult to sell in an open market.

Product-Specific Risks

- **You are exposed to equity risk.** The Fund invests primarily in stocks and other equity securities, which are subject to market risks and are in general more volatile than investment grade fixed income securities. Units may therefore be subject to greater price volatility.
 - **You are exposed to foreign exchange/currency risk.** Where Units held by the investor or a security held by the Fund is denominated in a foreign currency which fluctuates unfavourably against the base currency of the Fund or the relevant Class, the investment in the Fund may face currency loss in addition to the capital gains/losses and the Units may be exposed to exchange rate movements against the base currency. This may lead to a lower net asset value. The Managers may employ active currency hedging techniques to manage the impact of exchange rate fluctuations in relation to the Fund, where permitted and applicable.
 - **You are exposed to emerging markets risk.** The Fund may be investing in emerging markets which may be subject to higher political risks, regulatory risks and liquidity risks than investments in developed markets. Due to many emerging markets undergoing rapid growth, there is less regulation and there may be less public information about companies listed on such markets as compared to other stock markets. The trading volume in emerging markets may be substantially less than in the world's leading stock markets and may have to be conducted at less favourable prices. Investments in emerging markets are also subject to repatriation risks. Many emerging markets have restricted foreign investment policies although liberalisation continues. Emerging markets may not have fully developed custodian and settlement services and therefore investments in such markets are subject to a greater degree of risk.
 - **You are exposed to derivatives risk.** The Fund may engage in transactions in financial derivative instruments (or derivatives), such as options and futures transactions, swaps, forward contracts, credit derivatives, spot foreign exchange, caps and floors, contracts for differences or other derivative transactions for hedging and/or efficient portfolio management purposes. Although derivatives are often used to minimize risk, derivatives have their own kinds of additional risks, such as: (i) the use of derivatives for hedging purposes may not be effective; (ii) some derivatives may limit the Fund's potential for gain, as well as for loss; (iii) the cost of entering and maintaining derivative contracts may reduce the Fund's total return to investors; (iv) the price of a derivative may not accurately reflect the value of its underlying asset; (v) there is no guarantee that a market will exist when the Fund wants to buy or sell a derivative contract; (vi) exchanges may set daily trading limits on certain derivative contracts. These could prevent the Fund from closing a contract; and (vii) volatility and counterparty risk.
 - **You are exposed to Stock Connect risk.** In addition to the risks associated with the Chinese market and risks related to investments in RMB, investments through the Stock Connect are subject to additional risks, namely, quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing settlement and custody risks, trading costs, China tax considerations, nominee arrangements in holding China A Shares and regulatory risk.
- You should be aware that your investment in the Fund may be exposed to other risks of an exceptional nature from time to time.**

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?		Refer to paragraph 8.1 of the Prospectus for further information on fees and charges.
Payable directly by you		
You will need to pay the following fees and charges as a percentage of your gross investment:		
Initial Charge	Sales Charge	
		<u>Class A Units (SGD), Class A Units (USD) and Class A Units (RMB)</u> Current: Up to 5.00%. Maximum: 5.00% <u>Class I Units (SGD), Class I Units (USD) and Class I Units (RMB)</u> Current: Up to 2.00%. Maximum: 5.00%

Redemption Charge	Current: Nil. Maximum: 5.00%
Conversion Fee	Nil
Anti-Dilution Levy [^]	Up to 5% of the NAV of the relevant Class. To be charged at the discretion of the Managers in the event of large subscription / redemption requests.

Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Manager, Trustee and other parties:

Annual management fee	<u>Class A Units (SGD), Class A Units (USD) and Class A Units (RMB)</u> Current: 1.50%. Maximum: 1.50% <u>Class I Units (SGD), Class I Units (USD) and Class I Units (RMB)</u> Current: 0.75%. Maximum: 1.50% Breakdown of management fee: <u>Class A Units (SGD), Class A Units (USD) and Class A Units (RMB)</u> (a) Retained by Manager: 50% to 100% (b) Paid by Manager to financial adviser (trailer fee): 0% to 50% <u>Class I Units (SGD), Class I Units (USD) and Class I Units (RMB)</u> (a) Retained by Manager: 100% (b) Paid by Manager to financial adviser (trailer fee): 0%
Annual Trustee Fee and Annual Administration Fee	Current: 0.095% (subject always to a minimum fee of SGD3,334 per month). Maximum Annual Trustee Fee: 0.10%
Other fees and Charges	Subject to agreement with the relevant parties, other fees and charges may each amount to or exceed 0.10% per annum, depending on the proportion that each fee or charge bears to the Fund's net asset value.

[^] The anti-dilution levy is a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), transaction costs and other dealing costs relating to the acquisition or disposal of the investments constituting the Fund in the event of receipt for processing of large subscription or redemption requests (as determined at the discretion of the Managers), including subscriptions and/or redemptions which would be effected as a result of conversion or exchange requests, or in the event of market dislocations where the liquidity of the underlying investments of the Fund is substantially impaired.

The fees of the Investment Advisor are paid by the Managers out of their Management Fee and are not paid out of the assets of the Fund.

You should check with the agent or distributor through whom you subscribe for Units whether they impose other fees and charges not disclosed in the Prospectus.

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The indicative net asset value of Units of each Class of the Fund will generally be available 2 Business Days after the relevant Dealing Day and may be obtained by contacting the Managers at (65) 6323 2508 or on Bloomberg.

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

- You can exit the Fund on any Dealing Day by submitting a realisation form to the Managers or its duly authorised agent. If applicable to you and you wish to exit the Fund within the cancellation period of 7 calendar days from the time of your subscription, you may do so by submitting a cancellation form and you will not incur the initial sales charge and charges stated above. However, you will have to take the risk of any price changes in the NAV of the relevant Class of the Fund since your subscription and pay any bank charges, administrative or other fee imposed by the relevant agent or distributor.
- The Managers may limit the total number of Units of the Fund to be realised on any Dealing Day to not exceed 10% of the total number of Units of the Fund or Class (as the case may be) then in issue (disregarding any Units which have been agreed to be issued).
- You will normally receive the realisation proceeds within 7 Business Days after the relevant Dealing Day on which your realisation form is received and accepted.
- The realisation price of your Units is determined as follows:
 - If you submit the realisation form by the Dealing Deadline on a Dealing Day, you will

Refer to the paragraphs 10.9, 11 and 13 of the Prospectus for further information on valuation and exiting from the product.

be paid a price based on the NAV of the relevant Class of the Fund as at close of business in the last relevant market to close on that Dealing Day.

- If you submit the realisation form after the Dealing Deadline on a Dealing Day or on a day not being a Dealing Day, you will be paid a price based on the NAV of the Fund as at close of business in the last relevant market to close on that Dealing Day.
- The net realisation proceeds that you will receive will be the realisation price of the Fund multiplied by the number of Units realised, less any charges. An example is as follows:

1,000.00 Units	X	SGD 1.2000	=	SGD 1,200.00
Your realisation request		Realisation price		Gross realisation proceeds
SGD 1,200.00	-	SGD 0.00	=	SGD 1,200.00
Gross realisation proceeds		Redemption charge (Nil)		Net realisation proceeds

CONTACT INFORMATION

HOW DO YOU CONTACT US?

Business Address : 10 Collyer Quay, #09-08 Ocean Financial Centre,
Singapore 049315

Telephone number : +65 6323 2508

Facsimile number : +65 6323 2314

Attention : Chief Executive Officer

APPENDIX: GLOSSARY OF TERMS

Business Day	:	means any day (other than a Saturday, Sunday or gazetted public holidays) on which commercial banks are open for usual business in Singapore, or such other day or days as the Managers, in consultation with the Trustee, may from time to time determine.
Class	:	means a class of Units in the Fund.
Dealing Day	:	in relation to the issuance, cancellation and realisation of Units means every Business Day or such other day as provided in the Deed.
Dealing Deadline	:	in relation to a Dealing Day, means the deadline imposed by the Managers for the acceptance and processing of any application for Units to be issued or for the acceptance and processing of any application for Units to be redeemed, as the case may be, on the relevant Dealing Day. Unless a prior arrangement has been made with the Manager, the deadline shall be at 3 p.m. (Singapore time) on each Dealing Day, or such other time or day as the Managers may from time to time determine with the approval of the Trustee.
Inception Date	:	the first Business Day after the close of the initial offer period.
Launch Date	:	for the purposes of this Product Highlights Sheet only, means the Inception Date of the Fund.
NAV	:	net asset value.
Recognised Stock Exchange	:	means subject to the provisions of the Code, any stock exchange or over the counter market, any futures exchange and any organised securities market which is open to the public and on which securities are regularly traded, being in each case an exchange or market in any part of the world (including SGX-ST and Catalist) and in relation to any particular Investment includes any responsible firm, corporation or association in any country in the world so dealing in the Investment as to be expected generally to provide, in the opinion of the Managers, a satisfactory market for the Investment and is approved by the Trustee and in such case the Investment shall be deemed to be the subject of an effective permission to deal or be dealt in on the market deemed to be constituted by such firm, corporation or association.
RMB	:	Renminbi.
SGD	:	Singapore dollar.
Units	:	Units in the Fund.
USD	:	United States dollar.