

## **UNITED JAPAN DISCOVERY FUND** (the “Fund”)

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### **PRODUCT HIGHLIGHTS SHEET**

**This Product Highlights Sheet only highlights the key features and risks of this Fund. Sophisticated Investors are advised to request, read and understand the Replacement Information Memorandum before deciding to invest.**

#### **RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorised committee and/or persons approved by the Board of **UOB Asset Management (Malaysia) Berhad** and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions 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/recognised the issuance of **UNITED JAPAN DISCOVERY FUND** and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the **UNITED JAPAN DISCOVERY FUND** and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the **UNITED JAPAN DISCOVERY 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 **UOB Asset Management (Malaysia) Berhad** who is responsible for the **UNITED JAPAN DISCOVERY 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 is an important document:

- It is a summary of the **salient information about the Fund**.
- You **MUST NOT invest in the Fund based on this Product Highlights Sheet alone**. Please read the Replacement Information Memorandum before deciding to make an investment. If you do not have a copy, please contact us to ask for one.
- You should not invest in the Fund if you do not understand it or are not comfortable with the accompanying risks.

## BRIEF INFORMATION ABOUT THE FUND

**UNITED JAPAN DISCOVERY FUND** (the “Fund”) seeks to provide investors with Long Term capital appreciation by investing in the United Japan Small and Mid Cap Fund (the “Target Fund”) which has an investment focus in Japan.

The Fund is a wholesale fund managed by **UOB Asset Management (Malaysia) Berhad** (the “Manager”) and the Fund is not a capital protected fund nor a capital guaranteed fund.

## THE TARGET FUND’S INFORMATION

The Target Fund was registered with Monetary Authority of Singapore and established on March 2014. The base currency of the Target Fund is SGD. The investment objective of the Target Fund is to achieve Long Term capital growth through investing in securities of small and medium capitalisation corporations listed, domiciled, or having substantial (i.e. more than 50%) operations, in Japan.

## PRODUCT SUITABILITY

The Fund is suitable for Sophisticated Investors:

- seeking Long Term capital appreciation on their investments;
- have a high risk tolerance; and
- who seek exposure in Japan.

Subscription for units in the Fund is open to Sophisticated Investors as defined below or such other category of investor as may be prescribed by the relevant laws to be a Sophisticated Investor from time to time:

- (a) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed three million ringgit or its equivalent in foreign currencies, excluding the value of the individual’s primary residence;
- (b) an individual who has a gross annual income exceeding three hundred thousand ringgit or its equivalent in foreign currencies per annum in the preceding twelve months;
- (c) an individual who, jointly with his or her spouse, has a gross annual income exceeding four hundred thousand ringgit or its equivalent in foreign currencies in the preceding twelve months;
- (d) a corporation with total net assets exceeding ten million ringgit or its equivalent in foreign currencies based on the last audited accounts;
- (e) a partnership with total net assets exceeding ten million ringgit or its equivalent in foreign currencies;
- (f) a unit trust scheme or prescribed investment scheme;
- (g) a private retirement scheme;
- (h) a closed-end fund approved by the Securities Commission Malaysia;
- (i) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding ten million ringgit or its equivalent in foreign currencies;
- (j) 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 ten million ringgit or its equivalent in foreign currencies;
- (k) a statutory body established by an Act of Parliament or an enactment of any state in Malaysia;
- (l) a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967;
- (m) Central Bank of Malaysia established under the Central Bank of Malaysia Act 2009;
- (n) 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;

- (o) a licensed institution as defined in the Financial Services Act 2013;
- (p) an Islamic bank as defined in the Islamic Financial Services Act 2013;
- (q) an insurance company registered under the Financial Services Act 2013;
- (r) a takaful operator registered under the Islamic Financial Services Act 2013;
- (s) a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010;
- (t) an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010; and
- (u) any other investor as may be defined by the Securities Commission Malaysia from time to time.

In the event that the Manager becomes aware that a person is not eligible to apply for units is in fact holding units, the Manager shall be deemed to have received a redemption request in respect of such units on the Business Day following the day the Manager first became aware of the unit holder's ineligibility.

The Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or U.S. Person(s). Accordingly, investors may be required to certify that they are not U.S. Person(s) before making an investment in the Fund.

## KEY PRODUCT FEATURES

### What am I investing with?

Fund Category	Wholesale (Feeder Fund)
Fund Type	Growth
Investment Objective	The Fund seeks to provide investors with Long Term capital appreciation by investing in the United Japan Small and Mid Cap Fund (the "Target Fund") which has an investment focus in Japan.
Investment Strategy	The Fund seeks to achieve its investment objective by investing a minimum of 90% of the Fund's Net Asset Value ("NAV") in Target Fund at all times. Accordingly, this Fund will have a passive strategy as all the investment decisions will be made at the Target Fund level.
Asset Allocation	<ul style="list-style-type: none"> <li>• A minimum of 90% of the Fund's NAV in the Target Fund.</li> <li>• Up to 10% of the Fund's NAV in liquid assets.</li> </ul>
Performance Benchmark	Morgan Stanley Capital Investment Japan Small Mid Cap Index, which is also the performance benchmark of the Target Fund.
Launch Date	12 October 2015
Financial Year	30 April
Base Currency	Ringgit Malaysia
Class(es) of Units	MYR Class and MYR hedged Class
Distribution Policy	Subject to the availability of income, distribution is incidental. Distribution of income will only be made from realized gains or realized income. Distribution declared (if any) will be automatically reinvested into the unit holders' accounts in the form of additional units in the Fund at no cost.

### Who am I Investing with?

Manager	UOB Asset Management (Malaysia) Berhad ("UOBAM(M)")
Manager's delegates	Fund accounting and fund valuation functions: Deutsche Bank (Malaysia) Berhad
Trustee	Deutsche Trustees Malaysia Berhad
Trustee's delegate	Deutsche Bank (Malaysia) Berhad

(custodian)	
Tax advisers	Deloitte Tax Services Sdn Bhd
Auditors	Ernst & Young

### Possible Outcomes

Best case	Income distribution and capital appreciation.
Mid case	No significant change in investment, i.e. no income distribution and no capital appreciation.
Worst case	Capital loss and no income distribution.

### KEY RISKS ASSOCIATED WITH THE FUND

Please be advised that if the Sophisticated Investor invests in units through an institutional unit trust adviser (“IUTA”) which adopts the nominee system of ownership, the Sophisticated Investor would not be considered to be a unit holder under the Deed as the Sophisticated Investor’s name will not appear in the register of unit holders. The Sophisticated Investor may consequently not have all the rights ordinarily exercisable by a unit holder (for example, the right to call for a unit holders’ meeting and to vote thereat).

Risk of Passive Strategy	The Fund adopts a passive strategy of investing a minimum of 90% of its NAV into the Target Fund at all times. This passive strategy would result in the Fund being exposed to the risk of its NAV declining when the Target Fund’s NAV declines. All investment decisions on the Target Fund are left with the Target Fund’s fund manager.
Currency Risk	This risk is associated with investments denominated in currencies different from the base currency of the Fund. When foreign currencies move unfavourably against the MYR, these investments may face currency loss in addition to any capital gains or losses, which will affect the NAV of the Fund, and consequently the NAV per unit of the Fund.

### KEY RISKS ASSOCIATED WITH THE TARGET FUND

Equity risk	The Target Fund invests in equities and equity-related securities which are subject to market risks that historically have resulted in greater price volatility than that experienced by bonds and other fixed income securities.
Foreign exchange and currency risk	The Fund will be investing in the Class JPY of the Target Fund, which is denominated in JPY. Where investments are made by the Target Fund in the form of foreign currency denominations, fluctuations of the exchange rates of other foreign currencies against the JPY may affect the value of the units.
Political, regulatory and legal risk	The value and price of the Target Fund’s investments may be adversely affected by international political developments, changes in exchange controls, taxation policies, monetary and fiscal policies, and etc.
Derivatives risk	Investments in financial derivative instruments may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the Target Fund’s investments may be liquidated at a loss.
Single country risk	The Target Fund’s investments will be focused mainly in Japan. Investors should be aware that while such concentrated exposure may be subjected to higher risks as there may be less diversification than a regional or global portfolio.

Small and medium capitalisation companies risk	Investments in small and medium capitalisation companies generally carry greater risk than is customarily associated with larger capitalisation companies, which may include, less public information, greater volatility, higher risk of failure than larger companies and less liquidity.
Counterparty risk	Where the Target Fund enters into over-the-counter transactions, the Target Fund is exposed to the risk that a counterparty may default on its obligations to perform under the relevant contract.
Exceptional market conditions	Under certain market conditions, it may be difficult or impossible to liquidate or rebalance positions.
Liquidity risk of investments	The Target Fund will be exposed to liquidity risk when the Target Fund is invested in Asian and/or emerging markets, where the Target Fund may face difficulty in unwinding its position in these markets which results in insufficient cash to meet redemption requirements.
Broker risk	In the event that one of the brokers or dealers were to fail or become insolvent, there is a risk that the Target Fund's orders may not be transmitted or executed and its outstanding trades made through the broker or dealer may not settle.

**Note: The abovementioned risks which investors should consider before investing into the Fund should not be considered to be an exhaustive list. Sophisticated Investors should be aware that investments in the Fund may be exposed to other unforeseeable risks from time to time. Sophisticated Investors are advised to consult their professional adviser before investing. Please refer to the Replacement Information Memorandum under "Risk Factors" for further details on risks.**

#### **FEES & CHARGES WITH THE FUND**

<b>Class(es) of Units</b>	<b>MYR Class</b>	<b>MYR hedged Class</b>
<b>Management Fee</b>	Up to 1.80% per annum of the NAV of the Fund calculated daily and accrued on a daily basis.	
<b>Trustee Fee</b>	Up to 0.06% per annum of the NAV of the Fund, subject to a minimum of RM15,000 per annum (excluding foreign custodian fees and charges).	
<b>Sales Charge</b>	Up to 5.00% of the NAV per unit <i>Note: Investors should note that sales charge levied may vary when you purchase units from different authorized distributors or the Manager, subject to the maximum sales charge disclosed herein. The difference in sales charge imposed is based on the different levels of services provided and/or the size of the investment undertaken. Nevertheless, the Manager may at its absolute discretion waive and/or reduce the sales charge.</i>	
<b>Redemption Charge</b>	The Manager does not intend to impose any redemption charge.	
<b>Transfer Fee</b>	Not applicable, as transfer facility is not available for the Fund.	
<b>Switching Fee</b>	A switching fee of up to 1% of the NAV per unit of the Class switched out will be imposed, subject to the Manager's discretion. Unit holders are subject to the terms and conditions of switching as set out in the Replacement Information Memorandum under <i>Chapter 1: Key Data of the Fund, Switching Facility.</i>	

**Note: All the fees and charges above are exclusive of Goods and Services Tax ("GST") unless otherwise specified.**

## How will I be notified of any increase in fees and charges?

- A written communication will be sent to unit holders to notify them of the higher rate and its effective date;
- A supplementary or renewal information memorandum will be registered and issued; and
- A notice period of:
  - (a) 90 days for management fee and trustee fee; and/or
  - (b) 30 days for fees and charges other than management fee and trustee feewill be given to the unit holders prior to the effective date of the new fees and charges.

## VALUATIONS AND EXITING FROM INVESTMENT

### How often are valuations available?

The Fund will be valued daily. The NAV per unit of the Fund is obtainable via the following, on a daily basis :

- **UOBAM(M)** : <http://www.uobam.com.my>
- **Morningstar** : <http://my.morningstar.com>
- **The Star Online** : <http://www.thestar.com.my/Business/Marketwatch/Unit-Trust/>
- **Bloomberg** : <http://www.bloomberg.com>

You may also contact the Manager at 03-2732 1181 for the NAV per unit of the Fund.

### How can I invest?

Class(es) of Units	MYR Class	MYR hedged Class
Minimum initial investment	RM10,000 or such other lower amount as the Manager may from time to time decide.	
Minimum additional investment	RM1,000 or such other lower amount as the Manager may from time to time decide.	
Submission of application	Monday – Friday (except public holiday).	
Cut-off time	By 4.00p.m. on a Business Day.	

### How can I redeem?

Class(es) of Units	MYR Class	MYR hedged Class
Minimum withdrawal	1,000 units or such other lesser units as the Manager may from time to time decide.	
Minimum holding	1,000 units.	
Submission of withdrawal request	Monday – Friday (except public holiday).	
Cut-off time	By 4.00p.m. on a Business Day.	
Payment of withdrawal proceeds	Redemption proceeds shall be paid within ten (10) Business Days from the day on which the redemption requests are deemed received.	
Cooling-off period and right	Not applicable.	

*Note: Switching facility is available for this Fund. Alternatively, Sophisticated Investors may choose to switch between Class(es) of the Fund or switch from the Fund to other fund(s) managed by the Manager, provided that the currency denomination is the same. For further details, Sophisticated Investors are advised to refer to the Replacement Information Memorandum under Chapter 1: Key Data of the Fund, "Switching Facility" for further details on our switching policy.*



**APPENDIX: GLOSSARY**

Bursa Malaysia	means the stock exchange managed and operated by Bursa Malaysia Securities Berhad.
Business Day	means a day on which Bursa Malaysia is open for trading.  The Manager may declare certain Business Days to be a non-Business Day if the Target Fund is closed for business. This is to ensure investors are given a fair valuation of the Fund when making subscription or redemption.
Class(es) of Units	means any class of Units representing similar interests in the assets of the Fund although a class of Units of the Fund may have different features from another class of Units of the same Fund and “Class” means any one class of Unit(s).
Class JPY	means a class of Units of the Target Fund which is denominated in JPY.
Deed	means the deed entered into between the Manager and the Trustee dated 9 September 2015 including any supplementary deed(s) in relation to the Fund.
Long Term	means a period of at least five (5) years.
MYR Class	refers to a class of Units of the Fund which is denominated in MYR.
MYR hedged Class	refers to a class of Units of the Fund which is denominated in MYR but will be hedged against the JPY.
Replacement Information Memorandum	means the disclosure document of the Fund dated 1 November 2016, together with the first supplementary information memorandum dated 15 November 2016 and includes any supplementary or replacement information memorandum.
U.S. (United States) Person(s)	means: a) a U.S. citizen (including dual citizen); b) a U.S. resident alien for tax purposes; c) a U.S. partnership; d) a U.S. corporation; e) any estate other than a non-U.S. estate; f) any trust if: i) a court within the U.S. is able to exercise primary supervision over the administration of the trust; and ii) one or more U.S. Persons have the authority to control all substantial decisions of the trust; and g) any other person that is not a non-U.S. person.

## FOR FURTHER INFORMATION OR TO LODGE A COMPLAINT:

For enquiries/further information, please contact:

### **Marketing Department**

UOB Asset Management (Malaysia) Berhad  
Level 22 Vista Tower  
The Intermark  
348 Jalan Tun Razak  
50400 Kuala Lumpur  
Malaysia  
Tel : 03 2732 1181 Fax : 03 2164 8188  
Email address : UOBAMCustomerCareMY@UOBgroup.com  
Website : www.uobam.com.my

- 1) For internal dispute resolution or for lodging a complaint, please contact the **Compliance Officer** at the same address/telephone/fax number above or via email to UOBAMFeedbackMY@UOBgroup.com.
- 2) If you are dissatisfied with the outcome of the internal dispute resolution process with the Manager, 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  
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 email 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, 6<sup>th</sup> Floor Wisma Tune  
No. 19, Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur