

## Press Release

8 December 2014

**Affin Hwang Asset Management targets to deliver 8% to 12% per annum with its Absolute Returns focused solutions investing in the Asia Pacific Region**

KUALA LUMPUR – Affin Hwang Asset Management Berhad (“Affin Hwang AM” or the “Company”) (formerly known as Hwang Investment Management Berhad), today announced the launch of two (2) investment solutions; namely the Affin Hwang Select Asia Pacific (ex Japan) Balanced Fund (“SAPBF”) and Affin Hwang Select Asia Pacific (ex Japan) Dividend Fund (“SAPDF”). SAPBF is a balanced fund that aims to provide growth and income opportunities through a diversified portfolio containing a balanced mixture of equities and fixed income instruments. Whereas, SAPDF is an equity fund that endeavours to provide investors with regular income and capital growth over the medium to long-term period.

Chan Ai Mei, Chief Marketing Officer of Affin Hwang AM said, “There is demand from the retail investors for dividend yielding solutions and solutions that can provide a consistent return over time with lower volatility. Investors are still seeking for returns on their investments and therefore are on the lookout for solutions that can capture the opportunities in the Asia Pacific region that are able to pay dividends regularly and consistently.”

She added that investing in today’s environment has become even more challenging as the world comes to grips with the end of Quantitative Easing 3 in US and focus remains on the US economic recovery. “Rising interest rates, concerns on global growth as well as the repercussions it might have on Emerging Markets would remain the key concern for investors going into 2015. Therefore we believe quality stock selection strategy remains key for us to deliver returns. We will continue to focus on markets that have undergone structural adjustments and present bottom-up opportunities,” she continued.

Ai Mei said, “There are over 700 funds<sup>1</sup> in Malaysia of which less than 10% were invested in the Asia Pacific region. We believe there is market for the growth opportunities in Asia. As an asset management house, Affin Hwang AM’s conviction remains in Asia.” She added that the longer term discourse for investing in Asia and Emerging Asia are still valid. Growth still

---

<sup>1</sup> Source: Lipper as at 31 October 2014. Not inclusive of wholesale funds and insurance funds.

## Press Release

lies in the Asian region, being highly diversified. The East Asian countries such as Taiwan and South Korea are more leveraged to global economic growth. The Southeast Asian countries such as Indonesia and Philippines benefit from the demographic dividend which would drive domestic consumption and financial intermediation (such as credit growth, mortgages and credit cards) while India, Indonesia and Malaysia are undergoing reforms.

“Both SAPBF and SAPDF emulate the investment strategy of our existing funds with strong performance track record, namely the Affin Hwang Select Balanced Fund (“SBAF”) and Affin Hwang Select Dividend Fund (“SDF”). Both SBAF and SDF have garnered positive returns and outperformed its benchmark. Our funds are managed on an absolute return basis to deliver positive and consistent returns to investors over a 3 years rolling period,” she continued.

SAPBF will be investing in permitted investments through a balanced portfolio of equities and fixed income instruments focusing within the Asia Pacific (ex Japan) region. The Fund will invest a minimum of 40% to maximum 60% of the Fund’s Net Asset Value (“NAV”) in equities and minimum 40% to maximum 60% of the Fund’s NAV in fixed income instruments such as fixed income securities, money market instruments and deposits with Financial Institutions. The target return of the Fund over a 3 years rolling period is an annualised return of 8% to 10% per annum.

SAPDF will be investing primarily in dividend yielding equities and “future dividend leaders”. “Future dividend leaders” refers to equities that could, in the medium term (within 3 years or less), potentially start paying high dividends or substantially increasing existing dividend payout. SAPDF intends to adopt a two-part approach, where a portion of the Fund's investments will be focused towards high dividend yielding equities (refer to dividend yields that are above market average) whereas the other portion will be invested in the “future dividend leaders”. The Fund will be focusing its investments within the Asia Pacific (ex Japan) region. The target return of the Fund over a 3 years rolling period is an annualised return of 10% to 12% per annum.

SAPBF is suitable for investors who seek medium to long-term capital growth and regular income distribution, while SAPDF is suitable for investors who seek medium to long-term capital growth and regular income distribution and have moderate risk tolerance.

## Press Release

Both SAPBF and SAPDF are available for subscription from 8 December 2014 onwards with an initial offer price of RM0.50 per Unit. The initial investment for the Fund is RM1,000 and additional investment is RM100.

Visit [www.affinhwangam.com](http://www.affinhwangam.com) for more information on both the funds.

- End of Press Release -

### **For media enquiries, please contact:**

Chong Chyi Ming | [chyiming.chong@affinhwangam.com](mailto:chyiming.chong@affinhwangam.com) | +603 2116 6000

---

### **About Affin Hwang Asset Management Berhad**

Affin Hwang Asset Management Bhd (“Affin Hwang AM” or the “Company”) (formerly known as Hwang Investment Management Bhd) was incorporated in Malaysia on 2 May 1997 under the Companies Act 1965 and began its operations under the name Hwang-DBS Unit Trust Berhad in 2001. In early 2014, the Company was acquired by the Affin Banking Group (“Affin”) and hence, is now supported by a major home-grown financial services conglomerate. Affin has over 38 years of experience in financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Additionally, Affin Hwang AM is also 30% owned by Nikko Asset Management Asia, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co. Ltd, a leading independent Asian investment management franchise. Its head office is located in Kuala Lumpur and has a total of 7 main sales offices located in Peninsular and East Malaysia. They are in Penang, Ipoh, Malacca, Johor Bahru, Kuching, Miri and Kota Kinabalu.

Affin Hwang AM’s core business is providing fund management services to private clients, as well as to retail clients via its stable of unit trust funds and private retirement schemes. As at 31 October 2014, Affin Hwang AM manages over 450 private mandates (individuals and corporates) and has a stable of 76 funds (of which 40 are unit trust funds and 36 are wholesale funds) for investments of over 55,000 clients. Additionally, the Company also offers four (4) Private Retirement Schemes funds to cater for individuals retirement needs. The Company offers wide range of unit trust products and investment solutions with underlying investments comprising conventional equities, balanced, bond, money market, capital guaranteed, capital protected, global, structured and feeder funds, as well as Shariah-compliant equity, Islamic money market instruments and Islamic fixed income funds.

Since its inception in 2001, Affin Hwang AM has achieved an exponential growth in its total assets under management (AUM). As at 31 October 2014, the total AUM, comprising in-house unit trust funds as well as corporate and discretionary portfolios stood at approximately RM 29.4 billion.

Affin Hwang AM’s investment philosophy is premised on delivering absolute returns to investors over a 3 years rolling period.

## Press Release

### Awards received in 2014

#### 1. **The Edge - Lipper Fund Awards 2014**

- Affin Hwang Select Opportunity Fund (formerly known as Hwang Select Opportunity Fund): Equity Malaysia Diversified – 5 Years
- Affin Hwang Select Balanced Fund (formerly known as Hwang Select Balanced Fund): Mixed Asset MYR Balanced – Malaysia, 5 Years
- Affin Hwang Select Balanced Fund (formerly known as Hwang Select Balanced Fund): Mixed Asset MYR Balanced – Malaysia, 10 Years
- Affin Hwang Select Income Fund (formerly known as Hwang Select Income Fund): Mixed Asset MYR Conservative – 5 Years

#### 2. **Morningstar Fund Awards 2014**

- Affin Hwang Aiman Growth Fund (formerly known as Hwang AIIIMAN Growth Fund): Best Islamic Malaysia Equity Fund

#### 3. **Asia Asset Management 2013 Best of the Best Awards**

- CEO of the Year, Malaysia – Teng Chee Wai
- CIO of the Year, Malaysia – David Ng

#### 4. **2013 EPF External Portfolio Managers**

- Best Domestic Equity Portfolio Manager Year 2013 - Runner Up

#### 5. **The Asset - Top ranked Astute Investors in Asian G3 bonds for 2014**

- Rank No. 1 - Esther Teo
- Rank No. 4 - Maggie Wong

---

### **Disclaimer**

This press release has been prepared by Affin Hwang Asset Management Berhad (formerly known as Hwang Investment Management Berhad) (hereinafter referred to as "Affin Hwang Capital") specific for its use and for a specific target audience only. All information contained within this press release belongs to Affin Hwang Capital and may not be copied, distributed or otherwise disseminated in whole or in part without written consent of Affin Hwang Capital.

The information contained in this press release may include, but is not limited to opinions, analysis, forecasts, projections and expectations (collectively referred to as "Opinions"). Such information has been obtained from various sources including those in the public domain, are merely expressions of belief. Although this press release has been prepared on the basis of information and/or Opinions that are believed to be correct at the time the presentation was prepared, Affin Hwang Capital makes no expressed or implied warranty as to the accuracy and completeness of any such information and/or Opinions.

Affin Hwang Capital is not acting as an advisor or agent to any person to whom this press release is directed. Such persons must make their own independent assessments of the contents of this press release, should not treat such content as advice relating to legal, accounting, taxation or investment matters and should consult their own advisers.

Nothing in this press release is intended to be, or should be construed as an offer to buy or sell, or invitation to subscribe for, any securities.

Neither Affin Hwang Capital nor any of its directors, employees or representatives are to have any liability (including liability to any person by reason of negligence or negligent misstatement) from any statement, opinion, information or matter (expressed or implied) arising out of, contained in or derived from or any omission from this press release, except liability under statute that cannot be excluded.