

RHB RETIREMENT SERIES

RHB Retirement Series – Islamic Equity Fund

RESPONSIBILITY STATEMENTS

This Product Highlights Sheet has been reviewed and approved by the directors of RHB Asset Management Sdn Bhd and they have 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 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 RHB Retirement Series and authorised the non-core fund, i.e. RHB Retirement Series – Islamic Equity Fund, and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation and the lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the RHB Retirement Series or the RHB Retirement Series – Islamic Equity 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, the private retirement scheme provider responsible for the RHB Retirement Series and the RHB Retirement Series – Islamic Equity 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.

PRODUCT HIGHLIGHTS SHEET

This Product Highlights Sheet only highlights the key features and risks of this RHB Retirement Series and RHB Retirement Series – Islamic Equity Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

WHAT IS THE RHB RETIREMENT SERIES?

RHB Retirement Series is set up with the objective to provide the public with a private retirement scheme for the purpose of building up long term savings[^] for retirement. [^]Please note that member's capital is neither capital guaranteed nor protected.

Funds	Fund Category
Core Funds	
RHB Retirement Series – Conservative Fund	Core (Conservative)
RHB Retirement Series – Moderate Fund	Core (Moderate)
RHB Retirement Series – Growth Fund	Core (Growth)
Non-Core Funds	
RHB Retirement Series – Islamic Equity Fund	Feeder fund – equity (Shariah-compliant)
RHB Retirement Series – Islamic Balanced Fund	Feeder fund – balanced (Shariah-compliant)
RHB Retirement Series – i-Allocator Fund	Fund-of-Funds (Shariah-compliant)

This Product Highlights Sheet only provides information on RHB Retirement Series – Islamic Equity Fund (“Fund”).

The private retirement scheme provider is RHB Asset Management Sdn Bhd (“RHBAM”) and the trustee of the Scheme is CIMB Commerce Trustee Berhad.

BENEFITS

What are the benefits of contributing to the Scheme?

- You are able to have a voluntary contribution scheme to complement your existing savings plan.
- The Scheme also allows you to choose the funds according to your retirement needs, risk and age profile.
- You are able to enjoy tax relief of up to RM3,000.00 a year from year assessment 2012 to year assessment 2025.
- For corporations who are contributing to the private retirement scheme for their employees, the corporations can enjoy a tax deduction of up to 19% of the employee's (to which contribution has been made) remuneration.
- You are able to make pre-retirement withdrawals[^] from sub-account B for purposes of healthcare and housing without any tax penalty.

[^]For qualified members only.

KEY PRODUCT FEATURES

How does the Scheme work?

You can choose to contribute to one or more funds under the Scheme. If you do not select a fund, we will allocate your contributions into the default option that corresponds to your age.

INFORMATION ON THE FUND

Name of Non-Core Fund	Fund Category	Member's Profile
RHB Retirement Series – Islamic Equity Fund	Feeder fund – equity (Shariah-compliant)	The Fund is suitable for members who are looking for investments in a diversified portfolio of assets that comply with Shariah requirements. These members are willing to accept moderate to high risk in their investments and prefer capital growth rather than income over a medium to long term [^] period. [^] Note: “medium to long term” in this context refers to a period of between 3 – 7 years.

[^]Note: The current retirement age is 55 years and it may be subject to change to any compulsory age of retirement from employment as may be specified under any written law.

All contributions made by you will be maintained in two separate sub-accounts by us as follows:

- Sub-account A (70%) which is not available for pre-retirement withdrawal; and
- Sub-account B (30%) which would be available for pre-retirement withdrawal subject to payment of tax penalty of 8% (except for death of a member, permanent departure of a member from Malaysia, due to permanent total disablement, serious disease or mental disability)

INFORMATION ON THE FUND	
of a member, for housing purpose or for healthcare purpose) (which is deducted by RHBAM) set by the Inland Revenue Board and also a private pension administrator ("PPA") pre-retirement withdrawal fee.	
Cooling-off policy	<p>A qualified first time member fulfilling the criteria set out below is entitled to exercise his cooling-off right within six (6) Business Days[#] from the date of the receipt of the application (which shall be the date on which the contribution monies are deposited into the collection accounts of RHBAM) by RHBAM.</p> <p>During this cooling-off period, should a member change his/her mind about the contribution, he/she may exercise his/her cooling-off right via a letter and shall be paid, within seven (7) Business Days[#] of the receipt of the PPA's authorisation by RHBAM, as follows:</p> <ul style="list-style-type: none"> (a) the Net Asset Value ("NAV") per unit at the point of exercise of the cooling-off right ("market price"), if the NAV per unit on the day the units were purchase ("original price") is higher than the market price; or (b) the original price, if the market price is higher than the original price; and (c) the sales charge per unit originally imposed on the day the units were purchased. <p>For members who pay by cheque, the refund will be made upon clearance of the cheque.</p> <p>However, members must note that RHBAM must obtain prior authorisation of the PPA before proceeding to refund the money to the members.</p> <p>The cooling-off right is only accorded to a qualified member contributing for the first time in a private retirement scheme. Once he/she has a private pension account and has exercised his/her cooling-off right, the cooling-off right is no longer available for contributions made in other private retirement schemes.</p> <p>A cooling-off right will not be given to: -</p> <ul style="list-style-type: none"> (a) a staff of RHBAM; and (b) persons registered with a body approved by the Securities Commission Malaysia to deal in private retirement schemes.
Withdrawals	<p>Request for payment for redemption of vested units from the Fund of the Scheme may be made in part or in full and under the following circumstances:</p> <p><u>(1) For partial or full withdrawal</u></p> <ul style="list-style-type: none"> (a) After the day the member reaches the retirement age; (b) For pre-retirement withdrawals from sub- account B that would incur a tax penalty; (c) Following the death of a member; (d) For healthcare purpose; or (e) For housing purpose. <p><u>(2) For full withdrawal</u></p> <ul style="list-style-type: none"> (a) Permanent departure of a member from Malaysia; or (b) Due to permanent total disablement, serious disease or mental disability of a member. <p>Withdrawals may be requested by a member of this Scheme to RHBAM once every calendar year, provided that no withdrawals can be made from the Scheme if the member has contributed to the Scheme for less than a year.</p> <p>The first request for withdrawal from the Scheme may only be made after one (1) year has elapsed from the date of the first contribution by or for the member to the Scheme and the units of the Fund must have vested in the member.</p> <p>Withdrawal proceeds will be paid within seven (7) Business Days[#] from receipt by RHBAM of the request to repurchase. The request form will be submitted to PPA if the pre-retirement withdrawal is due to death of a member. The request will be processed and proceeds will be paid within seven (7) Business Days[#] to the nominee, trustee, executor or administrator of the deceased member after received authorisation from the PPA.</p> <p>RHBAM shall deduct the applicable 8% tax penalty from the withdrawn amount before making payment to the member. Please note that, the tax penalty would not apply for pre-retirement withdrawals due to death of a member; permanent departure of a member from Malaysia; due to permanent total disablement, serious disease or mental disability of a member; for housing purpose or for healthcare purpose or for withdrawals upon a member reaching the retirement age.</p> <p>Note: Withdrawal for housing and healthcare purposes may be subject to change from time to time as announced by the Securities Commission Malaysia and PPA. RHBAM reserves the right to make the necessary operational procedures, subject to terms and conditions, where applicable.</p>
Switching	Available between the funds within the Scheme. There are no restrictions on the number of times a member can switch.
Transfer to another private retirement scheme provider	<p>Members may redeem the vested units of the Fund and transfer the redemption proceeds to one (1) fund in another private retirement scheme operated by another private retirement scheme provider one (1) year after the date of the member's first contribution to the Scheme.</p> <p>Thereafter, the member is allowed to perform one (1) fund transfer from any private retirement scheme (including the Scheme) in each following calendar year.</p> <p>The redemption proceeds from the Fund:</p> <ul style="list-style-type: none"> (a) if redeemed from sub-account A will be used to create units in the member's sub-account A of the fund in another private retirement scheme operated by another private retirement scheme provider; and (b) if redeemed from sub-account B will be used to create units in the member's sub-account B of the fund in another private retirement scheme operated by another private retirement scheme provider. <p>Members are not allowed to transfer the units of the Fund to another member or any other individual.</p> <p>Please note that the payment of redemption proceeds for a transfer to another private retirement scheme operated by another private retirement scheme provider will be made within five (5) Business Days of RHBAM receiving a complete transfer form from the PPA; such transfer is not permitted for conditionally vested units.</p>
Nomination	At any time after having opened a private pension account with the PPA, a member who is a Malaysian citizen or a foreigner having a permanent residence status in Malaysia can nominate up to six (6) nominees to receive the accrued benefits from the Scheme including any other private retirement scheme operated by RHBAM, if any, and any other private retirement scheme operated by another private retirement scheme provider, which is due to that member upon the death of such member.

INFORMATION ON THE FUND	
	A nomination by a member, other than a Muslim member, will entitle a nominee to receive the accrued benefits upon the death of the member in accordance with the directions of the nomination as a beneficiary. If a nomination is made by a Muslim member, then the nominee will receive the accrued benefits as an administrator and not solely as a beneficiary, and will have to distribute such accrued benefits in accordance with the Islamic laws of distribution.
Distribution Policy	The Fund will declare distributions, if any, 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. All distributions (if any) will be reinvested into additional units of the Fund based on the prevailing NAV per unit of the Business Day [#] on which the distribution is declared. No sales charge or costs shall be incurred or payable by the members for the reinvestment. [#] <i>Business Day means a day on which the Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business.</i>

NON-CORE FUND					
RHB RETIREMENT SERIES – ISLAMIC EQUITY FUND					
Investment Objective	The Fund aims to provide above average capital growth* over a medium to long term [^] period by investing in one target fund. <i>Note: * “above average capital growth” here refers to capital growth that outperforms the benchmark of the Fund over a medium to long term period. ^ “medium to long term” in this context refers to a period between 3 – 7 years.</i>				
Fund Category	Non - Core (Feeder fund – equity (Shariah-compliant)).				
Investment Strategy	The Fund will invest principally in the target fund, i.e. the RHB Dana Islam (“Dana Islam”) which is managed by RHBAM. Both RHBAM and Dana Islam are regulated by the Securities Commission Malaysia under the Capital Markets and Services Act 2007. Although the Fund is passively managed, the investments of the Fund will be rebalanced from time to time to meet sales and redemption transactions and to enable the proper and efficient management of the Fund.				
Asset Allocation	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Investments in units of Dana Islam</td> <td>At least 95% of the NAV.</td> </tr> <tr> <td>Investments in liquid assets including Islamic money market instruments and placements of cash</td> <td>1% to 5% of the NAV.</td> </tr> </table>	Investments in units of Dana Islam	At least 95% of the NAV.	Investments in liquid assets including Islamic money market instruments and placements of cash	1% to 5% of the NAV.
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Benchmark	FTSE Bursa Malaysia Emas Shariah Index. <i>Note: The risk profile of the Fund is not the same as the risk profile of the performance benchmark .</i>				
Member Profile	The Fund is suitable for members who are looking for investments in a diversified portfolio of assets that comply with Shariah requirements. These members are willing to accept moderate to high risk in their investments and prefer capital growth rather than income over a medium to long term [^] period. [^] <i>Note: “medium to long term” in this context refers to a period of between 3 – 7 years.</i>				
Target Fund’s Information					
Name of the target fund	RHB Dana Islam.				
Manager	RHB Asset Management Sdn Bhd.				
Domicile	Malaysia.				
Investment Objective	The target fund aims to provide above average capital growth* over a medium to long term [^] period by investing in a carefully selected portfolio of stocks which complies with the Shariah principles. <i>Note: * “above average capital growth” here refers to capital growth that outperforms the benchmark of the target fund, FTSE Bursa Malaysia Emas Shariah Index, over a medium to long term period. ^ “medium to long term” in this context refers to a period between 3 – 7 years.</i>				
Principal Investment Strategy & Asset Allocation	The target fund seeks to achieve its investment objective by structuring a portfolio as follows: 90% - 98% of its net asset value – Investments in securities of companies that have good growth potential [#] and whose business activities comply with Shariah requirements. 2% - 10% of net asset value – Investments in Shariah-compliant liquid assets comprising cash and Islamic deposits with financial institutions, Islamic accepted bills, sukuk, cagamas sukuk, government investment issues and any other Shariah-compliant instrument capable of being converted into cash within seven (7) days. [#] <i>“Good growth potential” refers to the companies with strong and sustainable fundamentals. These are companies that are still in the growth period of business. They are experiencing sustainable high growth in revenue as well as profits. Other traits are that demand for their products or services are ever sustaining which leads them to operate at full capacity or even to a point of capacity expansion. Balance sheets of such companies are strong and portray a sound management structure with credible experience.</i>				
Launch Date	26 October 2001.				

KEY RISKS	
SPECIFIC RISK OF THE FUND	
MANAGEMENT RISK - As the Fund invests at least 95% of its NAV in Dana Islam, it is subject to the management risk of Dana Islam by RHBAM and the fund managers of Dana Islam. Poor management of Dana Islam will jeopardise the investment of the Fund in Dana Islam and in turn, the members’ investments through the risk of reduced returns and in some cases loss of capital invested in the Fund.	

KEY RISKS

SPECIFIC RISKS OF THE TARGET FUND, DANA ISLAM

RECLASSIFICATION OF SHARIAH STATUS RISK - As Dana Islam invests only in securities of companies whose principal activities comply with Shariah requirements, it may be subject to the reclassification of Shariah status, where the currently held Shariah-compliant securities in Dana Islam may be re-designated to be Shariah non-compliant securities in the periodic review of the securities by the SACSC, the Shariah adviser of Dana Islam, or the Shariah boards of the relevant Islamic indices. If this occurs, the value of Dana Islam may be adversely affected where the manager of Dana Islam, i.e. RHBAM, will take the necessary steps to dispose of such securities. Upon any such disposal, there may be opportunity loss to Dana Islam due to Dana Islam not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant securities. Nevertheless, RHBAM as the manager of Dana Islam would immediately replace the securities with other Shariah-compliant securities that have potential to grow in the future. Any capital gains arising from the disposal of the Shariah non-compliant securities made at the time of the announcement can be kept by Dana Islam. However, any excess capital gains derived from the disposal after the announcement day at the market price that is higher than the closing price on the announcement day should be channelled to baitulmal or charitable bodies as advised by the Shariah adviser of Dana Islam.

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 Dana Islam is invested in and subsequently the value of Dana Islam's investments.

PARTICULAR SECURITY RISK - The fluctuation in the performance of each individual security that Dana Islam invests in will affect the price of the units of Dana Islam. Not all companies issuing these securities are successful. The success or failure of the companies will cause its securities value to rise or fall. Valued collectively, the performance of individual securities comprising Dana Islam's portfolio will cause the unit price of Dana Islam to rise or fall accordingly.

YOU SHOULD REFER TO THE SCHEME'S DISCLOSURE DOCUMENT OR CONSULT A PROFESSIONAL ADVISER, IF YOU DO NOT UNDERSTAND THE ABOVE RISKS.

FUND PERFORMANCE

RHB RETIREMENT SERIES – ISLAMIC EQUITY FUND

AVERAGE TOTAL RETURNS

Financial periods ended 31 May 2023	1 Year	3 Years	5 Years	Since Launch (21/09/2016* - 31/05/2023)
RHB Retirement Series – Islamic Equity Fund (%)	-5.83	2.72	-1.59	-3.14
Benchmark^ (%)	-7.85	-4.10	-2.72	-2.24

ANNUAL TOTAL RETURNS

Financial Year ended 31 May	2023	2022	2021	2020	2019	2018	Since Launch (21/09/2016* - 31/05/2017)
RHB Retirement Series – Islamic Equity Fund (%)	-5.83	-1.79	17.18	-6.57	-8.87	-10.36	-3.40
Benchmark^ (%)	-7.85	-9.89	6.22	1.95	-3.12	-4.91	-5.45

For the latest financial year, the Fund recorded a return of -5.83% whilst its benchmark recorded a return of -7.85%.

Source: Lipper IM, 09 June 2023. *The last day of the Fund's initial offer period. ^Composite benchmark comprising FTSE Bursa Malaysia ("FBM") Emas Shariah Index or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad ("Bursa"). The abovementioned performance is computed on NAV to NAV basis and has been adjusted to reflect distributions payments and unit splits, if any.

PORTFOLIO TURNOVER RATIO

Financial Year ended 31 May	2023	2022	2021
RHB Retirement Series – Islamic Equity Fund	0.02 times	0.02 times	0.07 times

The PTR for the latest financial year was consistent with the previous financial year.

DISTRIBUTION RECORD

Financial Year ended 31 May	2023	2022	2021
Gross distribution per unit (sen)	-	-	-
Net distribution per unit (sen)	-	-	-

During the latest financial year, no distribution has been proposed by the Fund.

PAST PERFORMANCE OF THE FUND OR THE SCHEME IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.

FEES AND CHARGES

There are fees and charges involved and you are advised to consider them before contributing to the Scheme.

What will I be charged by RHBAM?

Sales Charge¹ by distribution channels	Up to 3.00% of the investment amount. Members may negotiate for a lower sales charge. An investor can expect differing sales charge to be levied when buying units from the various distribution channels and within each distribution channel (i.e. directly from RHBAM or participating Institutional Private Retirement Scheme Adviser ("IPRSAs") or Corporate Private Retirement Scheme Adviser ("CPRSAs") or private retirement scheme consultants), 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.
Redemption charge	Nil.
Switching fee (between funds in this Scheme)	Nil.
Switching fee (between funds into another PRS managed by RHBAM)	Not applicable, as RHBAM only has one private retirement scheme.

FEES AND CHARGES

Transfer fee¹ (to another private retirement scheme provider)	RM25.00 for each transfer transaction.
What will I be charged by the Private Pension Administrator (PPA)?	
PPA account opening fee¹	RM10.
PPA annual fee¹	RM8. Not payable for the year the account is opened and not payable for the year(s) where no contributions is made.
PPA pre-retirement withdrawal fee¹	RM25 for each withdrawal transaction.
PPA transfer fee¹ (to another private retirement scheme provider)	RM25 for each transfer transaction.
What are the key ongoing fees charged to a Fund?	
Management fee¹	1.50% per annum of the NAV of the Fund.
Trustee fee¹	Up to 0.04% per annum of the NAV of the Fund.
PPA administration fee¹	0.04% per annum of the NAV of the Fund.
¹ All fees and charges payable to RHBAM and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.	
Example	
Assuming the amount you have in your account for the Fund is RM50,000, the fees that will be deducted on a daily basis are as follows:	
Management fee : $(RM50,000 \times 1.50\%) / 365^* = RM2.05$ Total management fee payable for that particular day = RM2.05	
Trustee fee : $(RM50,000 \times 0.04\%) / 365^* = RM0.05$ Total trustee fee payable for that particular day = RM0.05	
PPA administrative fee : $(RM50,000 \times 0.04\%) / 365^* = RM0.05$ Total PPA administrative fee payable for that particular day = RM0.05	
<i>*Note: In the event of a leap year, the annual fees will be divided by 366 days.</i>	
You can also compare the fees and charges of other private retirement schemes by visiting the private pension administrator's website, www.ppa.my .	

ADDITIONAL INFORMATION

Valuations
The Fund is valued at least once every business day. Accordingly, the valuation of the Fund for a Business Day will be conducted at the close of Bursa Malaysia for that Business Day. The price of the Fund for a particular Business Day will be published online by the major newspapers on the next day. However, members may obtain the most current computed price by contacting RHBAM or visiting RHBAM's website at www.rhbgroup.com .
How will I be notified of any increase in fees and charges?
Please note that the current fees and charges can be increased in accordance to our policy as stated in section 6.3 of the Disclosure Document of RHB Retirement Series. Should RHBAM decides to increase any of the fee and charges of the Fund (with the exception of those fees and charges imposed by the PPA), RHBAM will notify all the members of the respective Fund in accordance with the requirements of the Guidelines on Private Retirement Schemes.
What taxes apply?
(i) Members who made contribution to the Fund are allowed to claim for tax relief up to RM3,000 from year assessment 2012 to year assessment 2025.
(ii) For corporations who are contributing to the private retirement scheme for their employees, the corporations also enjoy a tax deduction of up to 19% of the employee's (to which contribution has been made) remuneration.
(iii) Withdrawals prior to the retirement age from sub-account B will be subject to the 8% tax penalty. However, the tax penalty would not apply for pre-retirement withdrawals due to death of a member, permanent departure of a member from Malaysia, due to permanent total disablement, serious disease or mental disability of a member, for housing purpose or for healthcare purpose.
(iv) After reaching the retirement age, withdrawals will not be subject to any tax penalty.
How can I keep track of my contribution?
<ul style="list-style-type: none"> Monday's price will be available on Tuesday morning. As such, if you make a contribution on Monday, you will only know the number of units to be credited into your account on Tuesday (provided that it is a business day). A consolidated statement of account from the PPA and the interim and annual reports of the Fund will also be sent to you.
Unit prices and distributions, if any, may go down as well as up.
How do I start contributing?
It is important to understand what you are contributing into. Ask for a copy of the Scheme's Disclosure Document. If in doubt, consult a professional adviser.
Need Advice?
You can seek assistance from RHBAM's customer services personnel at RHBAM's offices during office hours, from Monday to Friday, from 9.00 a.m. – 5.00 p.m. You can also call Toll-Free Hotline 1-800-88-3175 or 03-9205 8000 for further advice or e-mail your enquiries to rhbam@rhbgroup.com or visit RHBAM's website, www.rhbgroup.com .
Account opening
<ul style="list-style-type: none"> If you have not invested into a private retirement scheme before, you will need to fill up a private pension account opening form, which can be provided by us or you can also download from the PPA website. Subsequent to that, you are also required to fill up an account opening form of RHBAM, accompanied by a photocopy of your identity card or passport. The account opening form should be submitted to our offices.

