

HONG LEONG ASSET MANAGEMENT BHD

HONG LEONG ALL ROADS BALANCED FUND

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of Hong Leong Asset Management 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.

STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of Hong Leong All Roads Balanced Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Hong Leong All Roads Balanced Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission of Malaysia recommends the Hong Leong All Roads Balanced 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 Hong Leong Asset Management Bhd who is responsible for the Hong Leong All Roads Balanced 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 the Hong Leong All Roads Balanced Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

PRODUCT HIGHLIGHTS SHEET

HONG LEONG ALL ROADS BALANCED FUND

BRIEF INFORMATION ON THE FUND

1. What is this fund about?

Hong Leong All Roads Balanced Fund ("HLARBF" or the "Fund") is a mixed assets fund managed by Hong Leong Asset Management Bhd (the "Manager") that aims to achieve capital growth by investing in a collective investment scheme.

FUND SUITABILITY

2. Who is this fund suitable for?

HLARBF is suitable for sophisticated investors who:

- are seeking a diversified portfolio that provides exposure globally;
- are seeking capital growth over a medium to long-term investment horizon; and
- are willing to assume a higher risk in their investments to obtain potential higher returns.

The Fund has a Product Risk Rating of 'High Risk'.

Base Currency	EUR
Category of fund	Mixed assets
Type of fund	Growth
Investment objective	The Fund aims to achieve capital growth by investing in a collective investment scheme.
Asset allocation (% of the Fund's net asset value ("NAV"))	<ul style="list-style-type: none"> • Target Fund: Minimum 85% of the Fund's NAV; • Money market instruments and/or deposits: Balance of the Fund's NAV. <p><i>Note: The Fund will hold sufficient cash for liquidity purposes.</i></p>
Performance benchmark	The Fund will have no benchmark as the Target Fund is managed without a benchmark.
Investment process and strategy	<p>The Fund seeks to achieve its investment objective by investing a minimum 85% of its NAV in the Target Fund. The balance of the Fund's NAV may be invested in money market instruments and/or deposits with financial institutions.</p> <p>The Manager may substitute the Target Fund with another fund that has a similar investment objective with the Fund, if, in the Manager's opinion, the Target Fund no longer meets the Fund's investment objective. However, this is subject to the unit holders' approval before such changes are made.</p> <p>The Fund may employ OTC derivative instruments such as forward contracts, interest rate swaps or cross currency swaps amongst others, to manage, minimize or mitigate inherent foreign currency-denominated risks or interest rate risks associated with the Fund's investments. The use of derivatives is for currency hedging purposes only and the global exposure relating to derivatives will be calculated using a commitment approach.</p> <p>Commitment approach</p> <p>The global exposure of the Fund to derivatives is calculated as the sum of the:</p> <ul style="list-style-type: none"> • absolute value of the exposure of each individual derivative not involved in netting or hedging arrangements; • absolute value of the net exposure of each individual derivative after netting or hedging arrangement; and • the values of cash collateral received pursuant to the reduction of exposure to counterparties of OTC derivatives. <p>Netting arrangements may be taken into account to reduce the Fund's exposure to derivatives. The Fund may net positions between bilateral or multilateral derivatives contracts that gives rise to an equivalent underlying obligation e.g. settlement date, currency pairs, etc. to minimize credit, settlement and liquidity risk.</p> <p>As part of its derivatives hedging arrangements, the hedging arrangement must:</p> <ol style="list-style-type: none"> (a) not be aimed at generating excess returns on a standalone basis; (b) result in an overall verifiable reduction of the risk in the Fund; (c) offset the general and specific risks linked to the underlying constituent being hedged; (d) relate to the asset class being hedged; (e) be able to meet its hedging objectives in all market conditions; and (f) the global exposure of the derivatives position must not exceed the NAV of the Fund at all times.

	<p>The exposure to a counterparty of an OTC derivative must be measured based on the maximum potential loss that may be incurred by the Fund if the counterparty defaults and not on the basis of the notional value of the OTC derivatives and the total exposure to a single counterparty is calculated by summing the exposure arising from all OTC derivative transactions entered into with the same counterparty.</p> <p>The Fund will only invest in derivatives that are issued by counterparties with a strong credit rating. A Malaysian counterparty must have a credit rating of at least "AA3" by RAM or its equivalent rating by Malaysian Rating Corporation Berhad. Whereas, a foreign counterparty must have a credit rating of at least "A" as rated by Standard & Poor's Ratings Services or its equivalent rating by another recognised global rating agency. The Manager will unwind the affected invested derivative instruments or hold the derivative instrument to maturity if its period to maturity is less than six (6) months if the counterparty is downgraded below the abovementioned credit ratings.</p> <p><u>Temporary Defensive Strategy</u></p> <p>The Manager may take temporary defensive positions in attempting to respond to certain conditions which include but are not limited to adverse market, economic and political conditions, insufficient funds to form an efficient portfolio and periods of high fund redemptions. In such situations, the Manager may reduce its exposure in the Target Fund to below the above stated range by reallocating its investments into lower-risk assets such as money market instruments and deposits.</p>																	
Distribution policy	The Fund intends to provide unit holders with medium to long-term capital growth. As such, income distributions will be incidental to overall capital growth objective.																	
Launch date	22 May 2025																	
Initial Offer Price	<table><tr><th>EUR Class</th><th>MYR Class</th><th>MYR-Hedged Class</th><th>USD-Hedged Class</th><th>AUD-Hedged Class</th><th>SGD-Hedged Class</th></tr><tr><td>EUR1.00 per unit</td><td>RM1.00 per unit</td><td>RM1.00 per unit</td><td>USD1.00 per unit</td><td>AUD1.00 per unit</td><td>SGD1.00 per unit</td></tr></table>						EUR Class	MYR Class	MYR-Hedged Class	USD-Hedged Class	AUD-Hedged Class	SGD-Hedged Class	EUR1.00 per unit	RM1.00 per unit	RM1.00 per unit	USD1.00 per unit	AUD1.00 per unit	SGD1.00 per unit
EUR Class	MYR Class	MYR-Hedged Class	USD-Hedged Class	AUD-Hedged Class	SGD-Hedged Class													
EUR1.00 per unit	RM1.00 per unit	RM1.00 per unit	USD1.00 per unit	AUD1.00 per unit	SGD1.00 per unit													
Initial Offer Period (IOP)	The Initial Offer Period for the Fund will be twenty-one (21) calendar days from the launch date of the Fund, i.e. commencing from 22 May 2025 to 11 June 2025.																	
Target Fund's Information																		
Target Fund Name	LO Funds - All Roads, (EUR) I A																	
Domiciled	Luxembourg																	
Base Currency	EUR																	
Manager of the Company	Lombard Odier Funds (Europe) S.A																	

Note:

Please refer to Section 4: Information on the Target Fund of the Information Memorandum for further information.

3. Who am I investing with?

Manager	Hong Leong Asset Management Bhd [199401033034 (318717-M)].
Trustee	Deutsche Trustees Malaysia Berhad [200701005591 (763590-H)].

4. What are the possible outcomes of my investment?

There are many possible outcomes associated with an investment in the Fund. Unit holders can potentially make profit either (i) when the Fund declares and pays out distributions; or (ii) when the unit holder sells their investments in the Fund when the market value of the Fund's portfolio and the its NAV per unit increase. However, this also means that the market value of the Fund's portfolio and its NAV per unit may fall and as a result, unit holders may lose part of its capital. Unit holders should take note that the value of an investment in the Fund and its distribution payable (if any) may go down as well as up and are not guaranteed. Unit holders should also take note that investment in the Fund involves some degree of risk and that the value of their investment is at risk depending on the underlying investments of the Fund.

KEY RISKS

5. What are the key risks associated with this fund?

General risks of this Fund

Market risk	Market risk refers to the potential losses that may arise from adverse changes in the market prices of the investments of the Fund. Prices of instruments that the Fund has invested in may fluctuate in response to market developments (such as adverse changes in government regulations and policies, economic developments, investor sentiment, inflation, interest rates and exchange rates), which would then affect the Fund's NAV per unit.
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Interest rate risk	This risk refers to the effect of interest rate changes on the prices of the Fund's investments in money market instruments such as negotiable instruments of deposits ("NID"). Generally, interest rate movements are inversely correlated with prices of NID, i.e. when interest rate rise, prices of NID will fall and vice versa. The fluctuations in the prices of the NID may, in turn, have an impact on the Fund's NAV per unit. This risk can be mitigated by holding the NID until their maturity due to the lock in of price and yield.
Non-compliance risk	This is the risk where the Manager does not comply with the provisions as set out in the deed; or the laws/guidelines that govern the Fund; or its internal procedures and policies. The non-compliance could be due to several factors such as a result of human errors and oversight system failures or fraudulent acts by the Manager. Any non-compliance may adversely affect the Fund's NAV per unit, especially in situations where the Manager is forced to sell the investments of the Fund at unfavourable prices to resolve the non-compliance. The Manager has imposed stringent internal compliance controls to mitigate this risk.
Loan financing risk	<p>The risk occurs when unit holders take a loan or financing to finance their investment. The inherent risk of investing with borrowed or financed money includes unit holders being unable to service the loan or financing payments. In the event units are used as collateral, unit holders may be required to top-up their existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower NAV per unit as compared to the NAV per unit at the point of purchase towards settling the loan or financing.</p> <p><i>Please see unit trust loan financing risk disclosure statement in the account opening form (individual) section.</i></p>
Inflation/purchasing power risk	This refers to the likelihood that a unit holder's investments are not growing at a rate equal or greater than the inflation rate, thus resulting in the unit holder's decreasing purchasing power.
Liquidity risk	<p>Liquidity risk comprises two (2) broad risk types; Market Liquidity Risk and Funding Liquidity Risk. Market Liquidity Risk is defined as the ease with which a collective investment scheme ("CIS") can be sold at or near its fair value depending on the trading volume of that CIS in the market. If the Fund holds a CIS that is less liquid, the CIS may have to be sold at unfavourable prices and/or withdraw deposits placed with financial institutions prior to maturity which would expose the Fund to a higher degree of market liquidity risk. As such, any premature withdrawal of deposits where interest income may be forfeited or forced sale of the Fund's investment to meet any shortfall will have adverse impact on the Fund's NAV per unit and subsequently the value of unit holders' investments in the Fund. Funding Liquidity Risk is defined as the risk that the Fund will not be able to meet efficiently both the expected and unexpected current and future cash outflow. The risk primarily involves the Fund's inability to meet redemption requests without major distortion to the portfolio allocation.</p> <p>To mitigate this risk, the Manager will employ prudent liquidity management such as cash flow and redemption monitoring to ensure that the Fund maintains reasonable levels of liquidity to meet any redemption request supplemented by a temporary defensive strategy should adverse conditions prevail. The Manager will apply liquidity risk management tools inclusive of liquidity stress test to assess the Fund's viability to meet expected and unexpected redemptions under adverse scenarios. Additionally, the Manager will employ liquidity risk scoring. The liquidity risk scoring is part of the calculation of the risk profile of the Fund. It measures the liquidity profile of the investments and is able to trigger the Manager on the investments that have a worsened liquidity position.</p> <p>The Manager may, in consultation with the Trustee, suspend dealing in units under exceptional circumstances where there is sufficient reason to do so having regard to the interests of the unit holders in an effort to further curtail the liquidity risk experienced by the Fund. Exceptional circumstances can be considered where the market value or fair value of a material portion of the Fund's assets cannot be determined.</p>
Suspension of repurchase request risk	Having considered the best interests of unit holders, the repurchase requests by the unit holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the Fund's assets cannot be determined. In such case, unit holders will not be able to redeem their units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Hence, their investments will continue to be subject to the risks inherent to the Fund.

Specific risks of this Fund

Concentration risk	The Fund invests in a single CIS, i.e. the Target Fund. Any adverse effect on the Target Fund will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the Target Fund. This risk may be mitigated as the Manager is allowed to take temporary defensive positions in response to adverse market conditions. Additionally, the Manager can substitute the Target Fund with a similar fund that has a similar investment objective with the Fund, if, in the Manager's opinion, the Target Fund no longer aligns with the Fund's investment objective subject to the approval of unit holders.
Counterparty risk	The Fund's investments in money market instruments or placements of deposits with financial institutions are subject to the risk of the counterparty. Counterparty risk refers to the possibility that the counterparties or financial institutions being unable to make timely payments of interest and/or principal payment on the maturity date. This may then lead to a default in the payment and/or interest and ultimately, affect the NAV per unit of the Fund. To mitigate this risk, the Manager will ascertain the creditworthiness of the counterparties or financial institutions through a rigorous and disciplined credit research and analysis prior to its investments.

Currency risk	This risk is associated when the Fund has investments that are denominated in foreign currency. Any fluctuations in the currency exchange rates can affect the Fund's foreign investments when it is converted back to the base currency, and subsequently affect the Fund's NAV per unit. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment. This risk may be mitigated through investing in a wide range of foreign currency denominated assets, thus reducing the risk of single currency exposure. Alternatively hedging may be applied to mitigate the currency risk, where necessary. While currency hedging has the potential to mitigate adverse currency fluctuations, any potential gains from currency appreciation will be capped. Therefore, unit holders will not benefit from any currency appreciation.
Country risk	<p>The foreign investments made by the Fund may be affected by changes in the economic, social and/or political conditions of the countries in which the investments are made. These changes may in turn, influence the growth and development of businesses and have an adverse impact on market sentiment. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the NAV of the Fund or prices of units to fall. However, this risk may be mitigated by conducting thorough research on the respective markets, their economies, companies, politics and social conditions as well as minimising or omitting investments in such markets.</p> <p>The Manager will also ensure all the necessary licenses/permits for investments are applied for in countries that require such licenses/permits. The Manager will seek to invest in other accessible markets if the Manager is unable to obtain the necessary licenses/permits in those countries, or that such licenses/permits are revoked or not renewed.</p>
Target fund manager risk	<p>The Fund invests in the Target Fund which is managed by a separate entity. This means the Target Fund's manager has full discretion over the Target Fund's investment strategy, expertise, operational controls, and overall management.</p> <p>While unlikely, mismanagement of the Target Fund could negatively impact the NAV of our Fund. In such a scenario, the Manager reserves the right to seek an alternative CIS that aligns with the Fund's objective subject to the approval of unit holders.</p>
Hedging risk	The Manager has the flexibility to hedge particularly the foreign currency exposure by using derivatives. Foreign currency hedging has the potential to mitigate adverse foreign currency fluctuations but may not completely eliminate all currency risk. Hedging involves costs which reduce investment performance of the Fund.

Specific risks of the Target Fund

As the Fund invests predominantly in the Target Fund, the Fund also assumes the risks associated with the Target Fund, which include but not limited to the following:

- Equity Risk
- Small and Medium-Sized Capitalisation Risk
- Fixed Income Securities Risk
- Currency Risk
- Below Investment Grade Risk and Distressed Securities Risk
- Convertible Securities Risk
- Commodity Risk
- Financial Derivative Instruments Risk
- Emerging Market Risk
- Exchange Rate Fluctuations Risk
- Custody Risk
- Settlement and Trading Risk
- Registration of Securities
- Regulatory Risk
- Investment and Repatriation Restrictions Risk
- Liquidity Risk
- Investment in People's Republic of China
- Risks relating to Stock Connect
- Segregation and beneficial ownership of Shanghai Stock Exchange Securities
- Quota limitations
- Settlement
- Clearing and settlement risk
- No Protection by Investor Compensation Fund
- Suspension risk
- Differences in trading day
- Operational risk
- Restrictions on selling imposed by front-end monitoring
- Regulatory risk
- Taxation risk
- China Interbank Bond Market
- Settlement risk
- Restrictions to Remittances and Repatriations Risk
- Securities and cash accounts
- Bond Settlement Agent Risk
- Risks associated with Bond Connect
- Risks associated with Qualified Foreign Institutional Investor regime
- Model Risk

INVESTORS SHOULD TAKE NOTE THAT THE ABOVE LIST OF RISKS MAY NOT BE EXHAUSTIVE AND IF NECESSARY, THEY SHOULD CONSULT THEIR ADVISER(S) FOR A BETTER UNDERSTANDING OF THE RISKS.

FEES & CHARGES

6. What are the fees and charges involved?

There are fees and charges involved and investors are advised to consider them before investing in the Fund.

The following table describes the charges that you may **directly** incur when you buy or redeem units:

	EUR Class	MYR Class	MYR-Hedged Class	USD-Hedged Class	AUD-Hedged Class	SGD-Hedged Class
Sales charge¹	Up to 6.00% of the NAV per unit.					
Redemption charge/Exit fee¹	No redemption charge is imposed upon redemption of units.					
Switching fee¹	There is no switching fee imposed on switching of units.					
Transfer fee¹	No transfer fee imposed on the transfer of units to a transferee.					

The following table describes the fees that you may **indirectly** incur when you invest in the Fund:

	EUR Class	MYR Class	MYR-Hedged Class	USD-Hedged Class	AUD-Hedged Class	SGD-Hedged Class
Annual management fee¹	Up to 1.50% per annum of the Fund's NAV, calculated and accrued on a daily basis.					
Annual trustee fee¹	Up to 0.055% per annum of the Fund's NAV, subject to a minimum fee of RM12,000.00 per annum (excluding foreign custodian fees and charges, where applicable).					

VALUATIONS AND EXITING FROM INVESTMENT

7. How often are valuations available?

The NAV per unit of the Fund is determined on each Business Day². The daily NAV per unit of the Fund can be obtained from the Manager's website at www.hlam.com.my or our branch offices. Alternatively, you may contact the Customer Experience personnel at 03-2081 8600 ext 18603/18604 for the NAV per unit.

8. How can I exit from this investment and what are the risks and costs involved?

Cooling-off right

A cooling-off right refers to the right of a unit holder to obtain a refund of the unit holder's investment in the Fund, if the unit holder so requests within the cooling-off period. However, the cooling-off right is not applicable for this Fund.

Redemption of Units

- The minimum redemption of Units for the respective Classes are as follows:

Classes	Minimum Redemption of Units
EUR Class	1,000 Units
MYR Class	5,000 Units
MYR-Hedged Class	5,000 Units
USD-Hedged Class	1,000 Units
AUD-Hedged Class	1,000 Units
SGD-Hedged Class	1,000 Units

- No restriction on the frequency of redemption.
- Cut-off time for any redemption requests is at 4.00 p.m. on every Business Day².
- For partial redemption, you must maintain a minimum balance in the respective Classes. Otherwise, the Manager will automatically effect a full redemption and inform the unit holder thereafter.

Classes	Minimum Account Balance
EUR Class	100,000 Units
MYR Class	100,000 Units
MYR-Hedged Class	100,000 Units
USD-Hedged Class	100,000 Units
AUD-Hedged Class	100,000 Units
SGD-Hedged Class	100,000 Units

Notes:

¹ The fees and charges stated are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time. The Manager/Trustee (where applicable) shall have the right to charge and recover from the Fund any applicable taxes and/or duties now or hereafter imposed by law or required to be paid in connection with the products or services provided by the Manager/Trustee (where applicable).

² 'Business Day' refers to a day (other than Saturday, Sunday and public holidays) on which the Manager is open for business and Bursa Malaysia is open for trading. We may declare certain Business Day to be a non-Business Day if the jurisdiction of the Target Fund declares a non-business day and/or if the Target Fund's manager declares a non-dealing day. This information will be communicated to you via our website at www.hlam.com.my.

- Payment will be made to you within fifteen (15) Business Days¹.
- Payment can be made either via cheque, telegraphic transfer to Hong Leong Bank Berhad or participating banks' Giro account.

Transfer of Units

- Transfer of units is allowed for this Fund either fully or partially. The minimum transfer is 1,000 units.

Switching of Units

- Switching out is treated as a withdrawal from the Fund and investment into another fund.
- Unit holder may switch between Classes of Hong Leong All Roads Growth Fund, Hong Leong All Roads Balanced Fund and Hong Leong All Roads Conservative Fund, provided that the currency denomination is the same.

FUND PERFORMANCE

9. Information on Fund Performance

Not applicable as this is a new Fund.

INVESTORS SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT

CONTACT INFORMATION

10. Who should I contact for further information or to lodge a complaint?

1. *For internal dispute resolution, you may contact:*
Hong Leong Asset Management Bhd
 Level 18, Block B, Plaza Zurich
 No. 12, Jalan Gelenggang
 Bukit Damansara
 50490 Kuala Lumpur
 Tel : 03-2081 8600
 Website : www.hlam.com.my
 E-mail : inquiry@hlam.hongleong.com.my
2. *If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Financial Markets Ombudsman Service (FMOS):*
 (a) via phone to : 03-2227 2811
 (b) via fax to : 03 2272 1577
 (c) via e-mail to : enquiry@ofs.org.my
 (d) via letter to : Financial Markets Ombudsman Service (FMOS)
 Level 14, Main Block
 Menara Takaful Malaysia
 No. 4, Jalan Sultan Sulaiman
 50000 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 FMOS. To make a complaint, please contact the SC's Consumer & Investor Office:*
 (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 : Consumer & Investor Office
 Securities Commission Malaysia
 3 Persiaran Bukit Kiara
 Bukit Kiara
 50490 Kuala Lumpur

Note:

¹ 'Business Day' refers to a day (other than Saturday, Sunday and public holidays) on which the Manager is open for business and Bursa Malaysia is open for trading. We may declare certain Business Day to be a non-Business Day if the jurisdiction of the Target Fund declares a non-business day and/or if the Target Fund's manager declares a non-dealing day. This information will be communicated to you via our website at www.hlam.com.my.

4. *Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:*
- (a) *via phone to* : 03-7890 4242
 - (b) *via e-mail to* : complaints@fimm.com.my
 - (c) *via online complaint form available at* : www.fimm.com.my
 - (d) *via letter to* : Legal & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-01, 6th Floor Wisma Capital A
No. 19, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur