

PRODUCT HIGHLIGHTS SHEET

AIA PRIVATE RETIREMENT SCHEME

AIA PAM – Dividend Income Fund

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the Board of AIA Pension and Asset Management Sdn. Bhd. and/or the person authorised by the Board, 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 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 approved the AIA Private Retirement Scheme and authorised the AIA PAM – Dividend Income Fund, and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia. The approval and authorisation, as well as the lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the AIA Private Retirement Scheme or AIA PAM – Dividend Income 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 AIA Pension and Asset Management Sdn. Bhd., responsible for the AIA Private Retirement Scheme and AIA PAM – Dividend Income 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.

PRS PROVIDER

AIA Pension and Asset Management Sdn. Bhd. was incorporated on 27 July 2012 to engage principally in the private retirement scheme and asset management business. AIA Pension and Asset Management Sdn. Bhd. is a wholly-owned subsidiary of AIA Bhd. which was established in 1948 and is a leading insurer in Malaysia.

BRIEF INFORMATION OF THE PRODUCT

What is the AIA Private Retirement Scheme?

The AIA Private Retirement Scheme (“Scheme”) issued by AIA Pension and Asset Management Sdn. Bhd. is a long term investment scheme which aims to provide you with an opportunity to increase your savings* for retirement.

** The Scheme is not capital guaranteed nor capital protected.*

This Product Highlights Sheet only highlights the key features and risks of this AIA Private Retirement Scheme and AIA PAM – Dividend Income Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

PRODUCT SUITABILITY & KEY PRODUCT FEATURES

What would you be investing in the AIA PAM – Dividend Income Fund under the Scheme?

Launch Date	15 July 2025	
Investment Objective	<p>The Fund seeks to provide returns through a combination of income* and capital growth.</p> <p><i>*Income will be reinvested in additional Units in the Fund.</i></p>	
Fund Category	Non-Core (Equity)	
Investment Strategy	<p>The Fund will invest at least 70% of its NAV in a portfolio of high quality local and foreign equities of companies with a proven track record of stable dividend payments (for at least 3 years consecutively) and consistent payout frequencies (at least annually). The Fund may invest in foreign equities and the allocation in foreign equities, if any, will not exceed 30% of the Fund's NAV.</p> <p>The remainder of the Fund's NAV will be invested in fixed income instruments, money market instruments and/or deposits.</p>	
Asset Allocation	Equities	At least 70% of the Fund's NAV.
	Fixed income instruments, money market instruments and/or deposits	Remainder of the Fund's NAV.
Benchmark	Target return of 6% per annum.	
Member Profile	<p>Members who:</p> <ul style="list-style-type: none"> are seeking returns over the long term period; and have a moderate risk appetite. <p><i>Note: "long term" means a period of five (5) years and above.</i></p>	
Financial Year End	30 April.	
Income Distribution	Subject to the availability of income, distribution (if any) will be distributed annually.	
Minimum Initial Contribution	<p>RM100.00.</p> <p><i>Note: We reserve the right to change the amount from time to time. This amount, however, shall not apply to conditionally vested units.</i></p>	
Minimum Additional Contribution	<p>RM100.00.</p> <p><i>Note: We reserve the right to change the amount from time to time. This amount, however, shall not apply to conditionally vested units.</i></p>	

- You may choose to contribute to the Fund under the Scheme based on your own retirement needs, goals and risk appetite.
- Contributions are voluntary.
- There is no statutory time interval for contributions.

There is no guarantee of the return of the capital contributed and investment returns to Members. In the long term, the Scheme aims to provide you with an opportunity to increase your savings for retirement.

Unit prices and distributions, if any, may go down as well as up.

Who are you investing with?

PRS Provider	: AIA Pension and Asset Management Sdn. Bhd. [Registration No.: 201201027147 (1011637-P)]
Scheme Trustee	: Deutsche Trustees Malaysia Berhad [Registration No.: 200701005591 (763590-H)]
Custodian	: Deutsche Bank (Malaysia) Berhad [Registration No.: 199401026871 (312552-W)]
Auditor	: PricewaterhouseCoopers
Tax Adviser	: KPMG Tax Services Sdn. Bhd.
Solicitors	: Wei Chien & Partners

KEY RISKS

What are the key risks associated with this Scheme?

Specific Risks of the Fund

- **Credit/default risk**
The risk of the issuer of the fixed income instruments being unable to make coupon payments and/or repay the principal in a timely manner.
- **Interest rate risk**
The risk of the value of fixed income instruments declining in the event interest rates rise.
- **Particular security risk**
The fluctuation in the performance of each individual security that the Fund invests in will affect the price of the units of the Fund.
- **Country risk**
This risk refers to changes in the political climate and in the economic environment of a particular country.
- **Currency risk**
This risk relates to the fluctuation in investments that are denominated in foreign currencies.

General Investment Risks

- **Capital and Returns Not Guaranteed**
There is no guarantee of the return of the capital contributed and investment returns to Members. The Fund is exposed to a variety of risks due to the nature of the investments which the Fund invest in. As such, the Fund does not provide a guarantee on the capital contributed nor does it guarantees any rate of return.
- **Market Risk**
Market risk arises when the prices of investments in the marketplace are affected by circumstances such as economic or political events. These circumstances, which may be a local or global event can affect a local market where the Fund is invested in or global markets and subsequently, the value of the Fund's investments.
- **Fund Manager Risk**
The performance of the Fund is dependent amongst others on the knowledge and investment techniques adopted by the PRS Provider and the lack of the above would have an adverse

impact on the Fund's performance. The PRS Provider seeks to reduce this risk by implementing a consistent and disciplined investment process, well-defined operational procedures and processes together with stringent internal controls.

➤ ***Inflation Risk***

Inflation risk is the risk of uncertainty over the future value of investments as a result of rising prices and a decrease in the purchasing power of money. In an inflationary environment, fixed rate securities are exposed to higher inflation risk than equities. This risk can be mitigated by investing in securities that can provide positive real rate of return.

➤ ***Legal and Regulatory Risk***

The Scheme is subject to existing laws and regulations which may change over time. Such changes may, for example, affect (i) a Member's ability to gain access to the balance in his account, and/or (ii) the investments of the Scheme (for example, if regulations require a change to the investment restrictions, the composition of investments in a Fund would be affected). Where a Fund invests in foreign markets, it would also be subject to changes in laws and regulations of the foreign markets that could affect the investment returns of the Fund.

➤ ***Liquidity Risk***

Liquidity risk arises where an investment cannot be sold due to the unavailability of a buyer for that investment or where the investment, by its nature, is thinly traded. Liquidity risk will have the effect of causing the investment to be sold below its fair value. Thus, the value of the Fund's investments would fall and subsequently the value of a Member's investments would be reduced.

Liquidity risk is also our ability to honour redemption requests or to pay Members' redemption proceeds in a timely manner. We will actively manage the liquidity of the Fund and/or borrow or take cash financing on a temporary basis to manage the Members' redemption requests.

➤ ***Risk of Non-compliance***

This is the risk that the PRS Provider may, inadvertently, not comply with the relevant laws or regulations. The non-compliance could be due to several factors such as human errors, oversight and system failures. Such non-compliance may result in the Fund being mismanaged and may affect the Members' investments.

➤ ***Operational Risk***

This risk refers to the possibility of a breakdown in the PRS Provider's internal controls and policies. The breakdown may be a result of human error, system failure or may be fraud where employees of the PRS Provider collude with one another. The risk may cause monetary loss to the Fund and potentially inconvenience Members. The PRS Provider will review its internal policies and system capability to mitigate instances of this risk. Additionally, the PRS Provider maintains a strict segregation of duties to mitigate instances of fraudulent practices amongst employees of the PRS Provider.

➤ ***Suspension of Withdrawal Risk***

The withdrawal of Units of the Fund may, in consultation with the Scheme Trustee and having considered the interests of the Members, be suspended if the fair value of a material portion of the Fund's investments cannot be reasonably determined. Upon suspension, the Fund will not be able to pay the Members' withdrawal proceeds in a timely manner and the Members will be compelled to remain invested in the Fund for a longer period of time than the stipulated withdrawal timeline. Any withdrawal request received by the PRS Provider during the suspension period will only be accepted and processed on the next Business Day after the cessation of suspension of the Fund. Hence, the Members' investments will continue to be subjected to the risk factors inherent to the Fund.

If you are in doubt on any of the above risks, you should refer to the Scheme's disclosure document or consult a professional adviser.

FEES AND CHARGES

What are the fees and charges involved?

Sales charge	Up to 3.00% of the NAV per unit. <i>Note: We reserve the right to waive or reduce the sales charge from time to time at our absolute discretion. You may also negotiate for a lower sales charge. All sales charges will be rounded up to two (2) decimal places.</i>
Redemption charge	Nil.
Switching fee (between Funds in this Scheme)	No charges for the first two (2) switches in each calendar year. RM25.00 will be imposed for all subsequent switches after the first two (2) switches in each calendar year. <i>Note: No sales charge will be imposed.</i>
Transfer fee (to another private retirement scheme provider)	RM25.00 for each transfer request.
Annual management fee	1.80% per annum of the NAV of the Fund.
Annual scheme trustee fee	0.04% per annum of the NAV of the Fund.
Annual PPA administration fee	0.04% per annum of the NAV of the Fund.

What are the fees chargeable by the Private Pension Administrator ("PPA")?

PPA account opening fee	RM10.00 (one-off).
PPA annual fee	RM8.00 (not payable for the year the account was first opened and not payable for the year(s) where no contributions were made).
PPA pre-retirement withdrawal fee	RM25.00 for each withdrawal request.
PPA transfer fee (to another private retirement scheme provider)	RM25.00 for each transfer request.

If there is any increase in the fees and charges,

- you will be given at least one (1) month prior notice in writing; and
- a supplementary or replacement disclosure document disclosing the new fees and charges will be issued to you.

Should there be any increase in the maximum rate of the fees and charges stated in the Deed, such increase must be approved by you by way of a special resolution during a meeting convened in accordance with the Deed.

YOU SHOULD NOT MAKE A PAYMENT IN CASH TO A PRS CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A PRS CONSULTANT.

How does the Scheme work?

We will maintain all contributions made in Sub-account A and Sub-account B. Vested units are maintained in two separate sub-accounts by the PRS Provider as follows:

- **Sub-account A** - holds 70% of all contributions made, reflected in units; and
- **Sub-account B** - holds 30% of all contributions made, reflected in units.

How often are valuations available?

The Fund is valued by 4.00 p.m. on the next Business Day, using the closing prices of the respective investments in the foreign markets. As such, the daily prices of the Fund for a particular Business Day will be published two (2) Business Days later.

You may find the daily prices of the Fund at our website, www.aia-prs.com.my and PPA's website, www.ppa.my.

What taxes apply?

The Scheme is an approved scheme for Malaysian income tax purposes pursuant to Section 2 of the Malaysian Income Tax Act 1967 ("MITA"). Pursuant to Paragraph 20, Schedule 6 of MITA, the income of any approved scheme is exempted from tax. The following will apply:

- Since the income of the Fund is exempted from Malaysian income tax, the income distributed from the Fund to you will be exempted from Malaysian income tax as well.
- Distribution of income in the form of units of the Fund to you which are then reinvested are exempted from tax. Units split by the Fund are also exempted from tax in your hands.
- You, as an individual residing in Malaysia, are allowed to claim a tax relief on your contribution to the Scheme up to a maximum amount of RM3,000 per annum, for a period of ten (10) years from year of assessment 2012 to 2021. Based on Section 31 of the Finance Act 2024, the tax relief of up to RM3,000 per annum on contributions to the PRS Funds have been further extended until year of assessment 2030. If you are an employer who contributes to the Scheme on behalf of your employees, you are eligible for a tax deduction of up to a maximum of 19% of employees' remuneration.
- There is a tax penalty of 8% on the pre-retirement withdrawals from Sub-account B before the withdrawal proceed is payable to you. The tax penalty would not apply for pre-retirement withdrawals due to your death, permanent total disablement, serious disease, mental disability, your permanent departure from Malaysia, for healthcare purpose and for housing purposes.

We recommend that you seek professional advice regarding your own particular tax circumstances. There are fees and charges involved and you are advised to consider them before contributing to the Scheme.

How to exit from this investment and what are the risks and costs involved?

a) Pre-retirement withdrawals

You can request for pre-retirement withdrawal after one (1) year has elapsed from the date of the first contribution to any Fund within the Scheme. Subsequent pre-retirement withdrawals may be requested once every calendar year beginning with the calendar year immediately following the calendar year in which the first request for the pre-retirement withdrawals was made to one or more private retirement schemes (including the Scheme). A tax penalty of 8% will be deducted from the withdrawn amount before making payment to you.

b) Withdrawals

Requests for withdrawals from the Scheme or from any Fund under the Scheme may be made in

the following circumstances:

- after you reach the retirement age, withdrawals may be made in part or in full;
- following the death of a Member, withdrawals may be made in part or in full;
- the permanent departure of a Member from Malaysia, only full withdrawals may be made;
- due to permanent total disablement, serious disease or mental disability of a Member, only full withdrawals may be made;
- for healthcare purpose (as listed in Schedule J of the Guidelines on Private Retirement Schemes), withdrawals may be made in part or in full; or
- for housing purpose, withdrawals may be made in part or in full.

Other exit options:

- the exercise of any cooling-off right*;
- redemption of vested units and transfer the proceeds of such redemption to another private retirement scheme operated by another private retirement scheme provider; and
- switching of vested units of a Fund with the units of any other Fund of the Scheme.

** The cooling-off period shall be for a total of six (6) Business Days commencing from the date the application for Units is received by the PRS Provider. The refund for every Unit held by the Member pursuant to the exercise of his cooling-off right shall be as follows:*

- (a) *if the original price of a Unit is higher than the price of a Unit at the point of exercise of the cooling-off right ("market price"), the market price at the point of cooling-off; or*
- (b) *if the market price is higher than the original price, the original price at the point of cooling-off; and*
- (c) *the charges imposed on the day the Units were purchased.*

CONTACT INFORMATION

- (i) For internal dispute resolution, you may contact our customer service personnel at 1300-22-7771 during our office hours from 8.30 a.m. to 5.00 p.m.
- (i) 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: 03-2272 2811
 - (b) via the FMOS Dispute Form available at <https://www.fmos.org.my/en/>
 - (c) via letter to: Financial Markets Ombudsman Service
Level 14, Main Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
- (ii) You can also direct your complaint to 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
No. 3, Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur

- (iii) Alternatively, you can also escalate your complaint to the Federation of Investment Managers Malaysia (FIMM):
- (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
19-06-1, 6th Floor, Wisma Capital A
No. 19, Lorong Dungun,
Damansara Heights,
50490 Kuala Lumpur

Need Advice?

You may visit our office or contact any of our customer service personnel at 1300-22-7771 during our office hours from 8.30 a.m. to 5.00 p.m. for advice in relation to the Scheme and/or the Fund.

APPENDIX: GLOSSARY

Bursa Malaysia	means the stock exchange managed and operated by Bursa Malaysia Securities Berhad (Registration No.: 200301033577 / 635998-W).
Business Day	means a day on which Bursa Malaysia is open for trading. <i>Note: We may declare certain Business Days to be a non-Business Day, if one or more of the foreign markets in which the Funds are invested therein are closed for business.</i>
Deed	means the deed in respect of the Scheme as modified by any other supplemental deed that may be entered into between the PRS Provider and the Scheme Trustee and is registered with the Securities Commission Malaysia.
Fund	means AIA PAM – Dividend Income Fund.
NAV	means the total value of the Fund's assets minus its liabilities at the valuation point. For the purpose of computing the annual management fee, annual scheme trustee fee and annual PPA administration fee, it should include the management fee, scheme trustee fee and PPA administration fee for the relevant day.
vested Unit	means a unit which accords a Member with unconditional entitlement to such Unit.
We / PRS Provider	means AIA Pension and Asset Management Sdn. Bhd. [Registration No.: 201201027147 (1011637-P)].
You / Member	means an individual who has a private pension account and holds Units in the Fund.