

**Product Highlights Sheet** dated 11 February 2020.

## Manulife Dragon Growth Fund

### Responsibility Statement

This Product Highlights Sheet has been reviewed and approved by the directors and/or persons approved by the Board of Manulife Investment Management (M) Berhad (formerly known as Manulife Asset Management Services 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, 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 authorized the issuance of *Manulife Dragon Growth Fund* ("the Fund") and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorization of the Fund and lodgment of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the 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 the Manulife Investment Management (M) Berhad (formerly known as Manulife Asset Management Services Berhad), the Manager responsible for the 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 this Fund. Investors are advised to request, read and understand the information memorandum of the Fund before deciding to invest.**

### Brief Information on the Product

#### 1. What is the Fund about?

The Fund is a feeder fund that seeks to achieve capital appreciation over medium- to long-term period.

Note: Any material change to the Fund's investment objective would require unit holders' approval.

### Product Suitability

#### 2. Who is the Fund suitable for?

The Fund is suitable for sophisticated investors who:

- seek capital appreciation;
- are willing to accept higher level of risk; and
- have a medium to long-term investment horizon (means the period of three (3) to five (5) years).

## Key Product Features

### 3. What am I investing in?

<b>Fund Category</b>	Wholesale Fund (Feeder Fund)	
<b>Investment Strategy and Policy</b>	<p>The Fund will invest at least 95% of the Fund's NAV in Share Class AA of the Target Fund, while the remaining NAV of the Fund will be in cash, money market instruments (including fixed income securities which have remaining maturity period of less than 365 days) and/or placement of deposits with financial institutions for liquidity purposes.</p> <p>The Fund's portfolio will be closely monitored and rebalanced from time to time to ensure that the Fund's asset is allocated in accordance with its asset allocation.</p>	
<b>Asset Allocation</b>	<u>Asset Class</u> Target Fund Cash, money market instruments and/or deposits	<u>Allocation (% of the Fund's NAV)</u> Minimum 95% Remaining NAV of the Fund
<b>Performance Benchmark</b>	MSCI Zhong Hua Index	
<b>Base Currency</b>	USD	
<b>Currency Class(es)</b>	<b>RM-Hedged Class</b>	<b>USD Class</b>
<b>Launch Date</b>	3 November 2016	3 November 2016
<b>Initial Offer Price</b>	RM1.0000	USD1.0000
<b>Financial Year End</b>	31 December	
<b>Distribution Policy</b>	Distribution of income, if any, is incidental	

### Target Fund's Information

<b>Name of Target Fund</b>	Manulife Global Fund – Dragon Growth Fund
<b>Management Company of Target Fund</b>	Carne Global Fund Managers (Luxembourg) S.A.
<b>Investment Manager of Target Fund</b>	Manulife Investment Management (Hong Kong) Limited
<b>Domicile Country</b>	Luxembourg
<b>Regulatory Authority of the Target Fund</b>	Commission de Surveillance du Secteur Financier
<b>Date of Establishment</b>	20 December 1996
<b>Name of Share Class</b>	Share class AA, which is denominated in USD
<b>Investment Objective</b>	The Target Fund aims to achieve capital growth by investing at least 70% of its net assets in a diversified portfolio of equity and

	equity related securities of public companies which are listed in Hong Kong and/or, although not listed in Hong Kong, are listed on a stock exchange in any other jurisdiction and have substantial business interests in Hong Kong and/or China. Such equity and equity related securities include common stocks, preferred stocks and depositary receipts.
<b>Investment Policy and Strategy</b>	<p>While the Target Fund will invest in accordance with its investment objective and strategy, subject to applicable laws and regulations, the Target Fund is not otherwise subject to any limitation on the portion of its net assets that may be invested in any one country or sector and in issuers of any market capitalisation. Hence, the Target Fund may invest more than 30% of its net assets in issuers located in any of the People's Republic of China and Hong Kong. The Target Fund's investments may be denominated in any currency.</p> <p>The Target Fund may invest directly in certain China A-Shares listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange via Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect respectively (collectively, "Stock Connect"). In any event where the Target Fund invests in China A-Shares, it is expected that the Target Fund will not hold more than 30% of its total net assets value in China A-Shares.</p> <p>It is not the intention of the Target Fund to invest more than 10% of its net assets in securities issued, or guaranteed, by any single sovereign (including the relevant government, public or local authority) which has a credit rating that is below investment grade (i.e. below Baa3 by Moody's or BBB- by Standard &amp; Poor's or Fitch).</p>

#### 4. Who am I investing with?

<b>Manager</b>	Manulife Investment Management (M) Berhad (formerly known as Manulife Asset Management Services Berhad)
<b>Trustee</b>	HSBC (Malaysia) Trustee Berhad

### Key Risks

#### 5. What are the key risks associated with this Fund?

##### Market Risk

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund's NAV.

##### Manager Risk

This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the Fund.

### **Target Fund Manager Risk**

The Target Fund (which the Fund invests in) is managed by Manulife Investment Management (Hong Kong) Limited. It is important to note that the Manager has no control over investment management techniques and operational controls of the Target Fund. Thus, mismanagement of the Target Fund (i.e. breach of its prescribed investment restriction due to human error) may potentially expose the Fund (as an investor of the Target Fund) to additional risk. Should such a situation arise, the Manager may propose to invest in other alternative collective investment scheme that is consistent with the objective of the Fund provided always that the approval of the unit holders has been obtained.

### **Currency Risk**

Although USD Class has identical currency denomination as the Share Class AA of the Target Fund, it is still subject to currency risk as the Target Fund's investment portfolio consists of securities denominated in the non-USD currencies, which may fall in value against USD resulting the fall of returns of the USD Class.

As for a hedged Class, the Class itself provides mitigation to the currency risk arising from the difference between the currency denomination of the Class and the Base Currency. While we aim to fully hedge the currency risk for a hedged Class, you should note that it may not entirely eliminate currency risk.

In addition, you should note that as a result of hedging, a hedged Class will not be able to enjoy the full benefits of the currency movement in the event a favourable movement of the currency denomination of the hedged Class against the Base Currency. You should also note that hedging incurs costs, in which will impact the NAV of a hedged Class.

### **Country Risk**

Investments of the Fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests in. 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.

### **Liquidity Risk**

Liquidity risk refers to a security which could not be transacted in a timely manner. In the context of the Fund (which invests in the Target Fund), liquidity risk is associated with the Target Fund's ability to meet the Fund's redemption request in a timely manner. If the Target Fund fails to meet the Fund's redemption request, it may jeopardize the Fund's ability to meet its own unit holders' redemption request.

### **Specific Risks associated with the Target Fund**

- Emerging Markets Risks
- Political and Regulatory Risks
- Natural Resources Sector Risk
- Currency Risk
- Liquidity and Volatility Risks
- Taxation Risk
- Financial Derivative Instruments Other Than for Investment Purpose
- Mainland China Investment Risks
- Mainland China Tax
- Risks associated with Investments via Stock Connect

Please refer to the Fund's Information Memorandum for further details on specific risks associated with the Target Fund.

## Fees and Charges

### 6. What are the fees and charges involved?

#### Charges when buying units of the Fund's Class

Sales Charge	Distributors	Maximum Sales Charge*	
	Unit Trust Consultant	RM-Hedged Class	USD Class
	Manager	Up to 5.50% of NAV per unit of the Class	
	Institutional Unit Trust Adviser ("IUTA")		
*The charges are negotiable.			
Redemption Charge	Nil		
Switching Fee	Subject to the conditions on switching as set out in the Information Memorandum.		
Transfer Fee	RM3.00 per transfer		

#### Fees incurred when investing in the Fund

Management fee	Up to 1.80% per annum of NAV of the Fund
Trustee fee	0.04% per annum of NAV of the Fund (excluding foreign custodian fees and charges)

All fees and charges (e.g. sales charge, switching fee, transfer fee, management fee, trustee fee and any other relevant fees and/or charges, where applicable) may be subject to tax that may be introduced by the Government of Malaysia from time to time.

	RM-Hedged Class	USD Class
Minimum initial investment	RM10,000.00	USD5,000.00
Minimum additional investment	RM1,000.00	USD1,000.00
Cut-off time	<ul style="list-style-type: none"> <li>▪ 3.00 p.m. for walk-in transactions or any other time that may be determined by the Manager, and</li> <li>▪ 4.00 p.m. for online transactions*.</li> </ul>	

\* Online transactions include purchase of units and switching between funds/class denominated in RM currency only. Online transactions are not applicable to purchase of units or switching into the Fund for the first time.

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

## Valuation and Exiting from Investment

### 7. How often are valuations available?

The valuation of the Fund is carried out daily at the end of the business day. The Fund's NAV per unit will be available on the Manager's website:

[www.manulifeinvestment.com.my](http://www.manulifeinvestment.com.my).

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

#### Redeeming an investment

Unit holders may redeem part or all of their investments at any time by completing a "Redemption Form" which is available from 8.45 a.m. to 5.30 p.m. at the office of the Manager and its branches.

	RM-Hedged Class	USD Class
<b>Payment of redemption proceeds from the date on which the request to redeem is received by the Manager</b>	Within ten (10) business days There is no redemption charge levied on the redemption of units.	
<b>Minimum redemption amount</b>	1,000 units	
<b>Minimum holding/balance</b>	1,000 units	
<b>Cut-off time</b>	<ul style="list-style-type: none"> <li>▪ 3.00 p.m. for walk-in transactions or any other time that may be determined by the Manager, and</li> <li>▪ 4.00 p.m. for online switching (for RM-Hedged Class only).</li> </ul>	

#### Cooling-off period

The cooling-off period is only applicable to any person investing for the first time in any unit trust funds managed by the Manager and excludes corporations/institutions, staff of the Manager and persons registered to deal in unit trusts. You have the right, within six (6) business days from the day of the receipt by the Manager of your application form, to call for a withdrawal of your investment. A full refund of the money initially invested (including the sales charge, if any) will be refunded to you within 10 calendar days from the receipt of the application for cooling-off by the Manager.

Withdrawal proceeds will only be paid to you once the Manager has received the cleared payments for the original investment.

For purchase/redemption transaction made with IUTAs, the transaction is subject to the terms and conditions of the respective IUTAs. Also, if you invest in units through an IUTA which adopts the nominee system of ownership, you will not be considered as a unit holder under the Fund's deed, and you may consequently not have all the rights ordinarily exercisable by a unit holder (e.g. the right to call for a unit holders' meeting and to vote thereat, and the right to have your particulars appearing in the Fund's register of unit holders).

## Fund Performance

### 9. Average Total Return for Financial Year Ended 31 December 2018

Basis of calculation

Average Total Return = Annualised Total Return  
 =  $[(1 + \text{Total return for the period})^{(\text{Actual no. of days in a year} \div \text{No. of days during the period})} - 1] \times 100\%$

Returns (%)		1-Year
Manulife Dragon Growth Fund	USD Class	(15.89)
	Benchmark	(16.25)
	RM-Hedged Class	(15.50)
	Benchmark	(16.25)

The commencement date of the RM-Hedged Class and USD Class was on 9 December 2016 and 16 February 2017 respectively.

Returns in USD (%)	1-Year
Target Fund	-16.56
Benchmark	-16.25

### 10. Annual Total Return for Financial Year Ended 31 December 2018

Basis of calculation

Annual Total Return =  $\frac{(\text{NAV}_t - \text{NAV}_{t-1})}{\text{NAV}_{t-1}}$

NAV<sub>t</sub> denotes NAV at the end of the period.  
 NAV<sub>t-1</sub> denotes NAV at the beginning of the period.

Returns (%)		2017*	2018
Manulife Dragon Growth Fund	USD Class	42.40	(15.89)
	Benchmark	34.39	(16.25)
	RM-Hedged Class	45.50	(15.50)
	Benchmark	43.88	(16.25)

For the financial year ended 31 December 2018, the Fund's USD Class return decreased by 15.89%, compared with its benchmark return which decreased by 16.25%; while the Fund's RM-Hedged Class return decreased by 15.50%.

\* since commencement to 31 December 2017.

Returns in USD (%)	2016*	2017	2018
Target Fund	-3.16	55.55	-16.56
Benchmark	-2.51	49.35	-16.25

\* period from 13 December 2016 (inception date of the share class AA) to 31 December 2016.

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

## Contact Information

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

- i) For internal dispute resolution, you may contact us:

**Manulife Investment Management (M) Berhad**

13th Floor, Menara Manulife      Tel        : 03-2719 9228  
No. 6, Jalan Gelenggang        Fax        : 03-2094 7654  
Damansara Heights                Email     : [MY\\_CustomerService@manulife.com](mailto:MY_CustomerService@manulife.com)  
50490 Kuala Lumpur.               Website  : [www.manulifeinvestment.com.my](http://www.manulifeinvestment.com.my)

- ii) If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Center (SIDREC):

**Securities Industries Dispute Resolution Center (SIDREC)**

Unit A-9-1, Level 9, Tower A        Phone    : 03-2282 2280  
Menara UOA Bangsar                Fax        : 03-2282 3855  
No. 5, Jalan Bangsar Utama 1      Email     : [info@sidrec.com.my](mailto:info@sidrec.com.my)  
59000 Kuala Lumpur.

- iii) Even if you have initiated a dispute resolution process with SIDREC, you may also direct your complaint to the SC. To make a complaint, please contact the SC's Consumer & Investor Office:

**Consumer & Investor Office**

**Securities Commission Malaysia**      Phone    : 03-6204 8999 (Aduan Hotline)  
No. 3, Persiaran Bukit Kiara        Fax        : 03-6204 8991  
Bukit Kiara                                Email     : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)  
50490 Kuala Lumpur.                Online complaint form available at  
[www.sc.com.my](http://www.sc.com.my)

- iv) Federation of Investment Managers Malaysia (FiMM)'s Complaints Bureau:

**Legal, Secretariat & Regulatory Affairs**

**Federation of Investment Managers**

**Malaysia**

19-06-1, 6th Floor, Wisma Tune      Phone    : 03-2092 3800  
No. 19, Lorong Dungun                Fax        : 03-2093 2700  
Damansara Heights                    Email     : [complaints@fimm.com.my](mailto:complaints@fimm.com.my)  
50490 Kuala Lumpur.                Online complaint form available at  
[www.fimm.com.my](http://www.fimm.com.my)