

SP TACTICAL INVESTMENT FUND

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors or authorized committee or persons approved by the Board of SP Investment Management Sdn Bhd 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 Highlight Sheet false or misleading.

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorized the issuance of SP Tactical Investment Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorization of the SP Tactical Investment Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the SP Tactical Investment 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 SP Investment Management Sdn Bhd responsible for the SP Tactical Investment 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 RISK OF THIS UNLISTED CAPITAL MARKET PRODUCT. INVESTORS ARE ADVISED TO REQUEST, READ AND UNDERSTAND THE DISCLOSURE DOCUMENTS BEFORE DECIDING TO INVEST.

SP TACTICAL INVESTMENT FUND

PRODUCT SUMMARY

Fund Name	SP Tactical Investment Fund (the "Fund")
Fund Category	Mixed Asset
Fund Type	Growth
The Manager	SP Investment Management Sdn Bhd (508019-X)
Launch Date	17 September 2012

PRODUCT SUITABILITY

WHO IS THIS PRODUCT SUITABLE FOR?

This Fund is suitable for investors who:-

- have a medium term investment horizon;
- have a medium level of risk tolerance in pursuit of potentially high returns; and
- seek diversification with a dynamic asset allocation strategy, instead of investments in asset classes that are fixed.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

Investment Objective	<p>The Fund seeks to provide investors with investment returns through active portfolio management based on fundamental and technical analysis. The Fund is managed with an absolute return objective and medium term capital appreciation. At the same time the Fund will strive for capital preservation* under adverse market condition.</p> <p><i>*The Fund is not a capital guaranteed fund nor a capital protected fund and the returns are not guaranteed.</i></p> <p><i>Any material changes to the investment objective of the Fund would require Unit Holders' approval.</i></p>
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<p>Investment Strategy and Asset Allocation</p>	<p>The Fund will adopt a dynamic asset allocation strategy with investment exposure in different asset classes. The Fund will be able to rebalance its asset allocation strategically according to changes in fundamentals of the economy or industry. The Fund may vary its exposure between equities and fixed income securities as follows:-</p> <table border="0"> <thead> <tr> <th style="text-align: left;">Asset Class</th> <th style="text-align: left;">Asset Allocation as % of Fund NAV</th> </tr> </thead> <tbody> <tr> <td>Equities</td> <td>Up to 100%</td> </tr> <tr> <td>Fixed income securities</td> <td>Up to 100%</td> </tr> </tbody> </table> <p>There will be no minimum weighting requirement for any particular asset class.</p> <p>The Fund may also invest in equities and fixed income securities in the following foreign markets:- Australia, China, Hong Kong, Indonesia, Japan, Korea, New Zealand, Philippines, Singapore, Taiwan, Thailand and Vietnam.</p> <p><i>Please refer to the Information Memorandum for further details.</i></p>	Asset Class	Asset Allocation as % of Fund NAV	Equities	Up to 100%	Fixed income securities	Up to 100%
Asset Class	Asset Allocation as % of Fund NAV						
Equities	Up to 100%						
Fixed income securities	Up to 100%						
<p>Performance Benchmark</p>	<p>The performance of the Fund is based on absolute return. The benchmark used to measure the performance of the Fund is the Hurdle Rate.</p> <p><i>Please refer to the Information Memorandum for further details.</i></p>						
<p>Distribution Policy</p>	<p>The Fund is not expected to make any distribution; however, any distribution will be incidental depending on the performance of the Fund.</p> <p>Unit Holders may elect the mode of distributions in Units or cash by informing the Manager, at any time before the Distribution Date. In the absence of any instructions, the Manager will automatically reinvest any distribution into Units of the Fund without further reference to the Unit Holders.</p> <p>There is no incidental charge imposed on distribution investment. However, cash distributions amounting to less than RM50.00 will be automatically reinvested.</p>						

PARTIES INVOLVED

WHO ARE YOU INVESTING WITH?

<p>The Manager</p>	<p>SP Investment Management Sdn Bhd</p>
<p>The Trustee</p>	<p>Deutsche Trustees Malaysia Berhad</p>
<p>The Custodian</p>	<p>Deutsche Bank (Malaysia) Berhad</p>

POSSIBLE OUTCOME OF MY INVESTMENT

The Fund may invest in different asset classes including, but not restricted to, equities and fixed income securities. Hence, there may be different possible outcomes associated with an investment in the Fund. However, the Fund will adopt a dynamic asset allocation strategy based on prevailing market conditions to minimize risk relating to the Fund.

The value of your investment in the Fund and its distribution (if any) may go down as well as up and are not guaranteed. The factors which may affect the value of your investment in the Fund include, but are not limited to, adverse market conditions due to economic or political turmoil, changes in country conditions in which the Fund is invested in and the inability of the Manager to reasonably assess the risk of a security.

Investment in the Fund carries risks and you are advised to read and understand the Information Memorandum before making any investment decisions.

KEYS RISK

WHAT ARE THE KEY RISKS ASSOCIATED WITH THIS PRODUCT?

GENERAL RISKS

- **Market Risk** – Market risk arises due to factors that affect the marketplace such as adverse changes in regulations, politics, technology and the economy. Exposure to such risk may affect the value of the investments negatively.
- **Inflation Risk** – The Fund is subject to the risk that investor's investment not growing proportionately to the inflation rate. This may reduce the purchasing power of investors over time.
- **Fund Manager Risk** – The performance of the Fund depends on the experience, knowledge and expertise of the fund manager. Lack of the abovementioned qualities may affect the performance of the Fund. In view of this, proper training and stringent selection of personnel to manage the Fund is crucial towards minimizing this risk.
- **Risk of Non-Compliance** – This risk refers to the possibility that the Deed or the Guidelines may not be observed by the Manager due to circumstances such as system failures and oversight. This risk can be mitigated by having in place proper procedures and system to monitor transactions to ensure compliance with SC's guidelines and the Deed.

SPECIFIC RISKS

- **Security Specific Risk** – This is associated to the risk of the individual security within the Fund. Security specific risk can be mitigated by disciplined and strict investment process where it involves primary and secondary research relevant to that individual security.
- **Credit Risk** – Credit risk refers to an issuer's inability to make timely payments of interest and principal. Credit risk can be mitigated through disciplined credit analysis and diversification.
- **Country Risk** – This is associated to risks specific to the country which the Fund invests in. This risk includes changes to the country's economic fundamentals, regulatory environment, political stability, foreign exchange policies and foreign investment policies. This risk may be minimized through stringent screening process to assess the stability of the country's fundamentals.

- **Currency Risk** – The value of an investment may be adversely affected by changes in currency exchange rates. In the case where the Fund has investments denominated in a foreign currency, the value of the investments may rise or fall due to movements in the currency exchange rates. Hedging may be applied to minimize the currency risk, if necessary.
- **Liquidity Risk** – The risk that arises when a security cannot be liquidated in a timely manner at or near its market value. This risk occurs in illiquid securities and may significantly depress the selling price resulting in a decrease in the value of the Fund's asset.
- **Interest Rate Risk** – Interest rate risk arises from changes in interest rates. Fixed income securities with longer maturity tend to be more sensitive to changes in interest rates, making them more volatile. The risk may be minimized through thorough evaluation of macro-economic variables and management of the duration of the securities within the Fund.

FEES & CHARGES

WHAT ARE THE FEES AND CHARGES INVOLVED?

The fees and charges that you may incur (directly or indirectly) when you invest in the Fund are as follow:

Sales Charge	Nil.
Repurchase Charge	Nil.
Switching Fee	Not applicable as switching is not permitted for this Fund.
Transfer Fee	Nil.
Annual Management Fee	Up to 2.00% per annum of the NAV of the Fund.
Performance Fee	<p>A performance fee with a Hurdle Rate applies for the Fund. This fee only applies if the performance of the Fund exceeds the Hurdle Rate and will be charged at the end of every performance period.</p> <p>The Performance Fee is set at 20% of the excess return over and above the Hurdle Rate. This fee is payable during the month immediately following the end of each performance period.</p> <p><i>Please refer to the Information Memorandum for further details.</i></p>
Annual Trustee Fee	0.05% per annum of the NAV of the Fund, subject to a minimum fee of RM18,000 per annum (excluding foreign custodian fees and charges).

VALUATIONS AND EXITING FROM INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The Fund will be valued at the close of each Business Day. In the event the Fund invests in foreign markets, the Fund will be valued after the close of all foreign markets in which the Fund has invested in, but no later than 5pm on the next Business Day.

You can obtain the daily NAV per Unit of the Fund from our business office or by calling the following:-

- i. Customer service line : +603 – 2166 2828; or
- ii. E-mail : general@shadowpartners.com; or
- iii. Business Address : Unit 7-08 (Letterbox 381), 7th Floor, Wisma Central,
Jalan Ampang, 50450 Kuala Lumpur.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS INVOLVED?

There is no repurchase charge imposed by the Fund upon repurchase of the Units. Repurchase can be made by completing the "Form of Request for Repurchase". The minimum repurchase is 5,000 Units for each request on any Business Day. If the Units of the investment in the Unit Holder's account fall below 50,000 Units due to repurchase, the Manager may initiate a full repurchase without consulting the Unit Holder. The repurchase proceeds will be paid to the Unit Holder within seven (7) Business Days from the date the repurchase request is received by the Manager. Payment will be made via cheque or telegraphic transfer to Unit Holder's bank account.

The request for repurchase can be made by submitting the relevant documents/forms to the business office by 4.00p.m. on a Business Day. Requests made after 4.00p.m. will only be processed on the following Business Day.

CONTACT INFORMATION

WHO SHOULD I CONTACT FOR FURTHER INFORMATION OR TO LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:
 - a) Customer service line : +603 – 2166 2828; or
 - b) E-mail : general@shadowpartners.com
 - c) Website Address : www.shadowpartners.com
 - d) Business address : SP Investment Management Sdn Bhd
Unit 7-08 (Letterbox 381), 7th Floor,
Wisma Central, Jalan Ampang,
50450 Kuala Lumpur.
2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Corporation (SIDREC) :
 - a) Via phone to : 03-2282 2280
 - b) Via fax to : 03-2282 3855
 - c) Via email to : info@sidrec.com.my
 - d) Via letter to : Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur
3. You can also direct your complaint to the Securities Commission (SC) even if you have initiated a dispute resolution process with SIDREC. To make complaint, please contact the SC's Investor Affairs & Complaints Department:
 - 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 : Investor Affairs & Complaints Department
Securities Commission Malaysia
No 3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur