

## MIDF AMANAH STRATEGIC FUND

Date of Issuance: 6 August 2021

### **Responsibility Statements**

This Product Highlights Sheet ("PHS") has been reviewed and approved by the directors of MIDF Amanah Asset Management Berhad ("MIDF Amanah / the Manager") 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 PHS false or misleading.

### **Statements of Disclaimer**

The Securities Commission Malaysia has authorised the issuance of MIDF Amanah Strategic Fund ("MASF / the Fund") and a copy of this PHS has been lodged with the Securities Commission Malaysia ("SC").

The authorisation of the MASF and lodgement of this PHS, should not be taken to indicate that the SC recommends the MASF or assumes responsibility for the correctness of any statement made or opinion or report expressed in this PHS.

The SC is not liable for any non-disclosure on the part of the Manager responsible for the MASF and takes no responsibility for the contents in this PHS. The SC makes no representation on the accuracy or completeness of this PHS, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**This PHS only highlights the key features and risks of this unlisted capital market product. Investors are advised to request, read and understand the master prospectus of the Fund before deciding to invest.**

**PRODUCT HIGHLIGHTS SHEET**  
for  
**MIDF AMANAH STRATEGIC FUND**

**BRIEF INFORMATION ON THE PRODUCT**

MIDF Amanah Strategic Fund ("MASF / The Fund") is an equity fund issued by MIDF Amanah Asset Management Berhad, aims to achieve \*Long Term capital growth through investments in smaller, high growth companies.

This is neither a capital protected nor capital guaranteed fund.

*Note: \*Long Term refers to a period of 5 years and above.*

**PRODUCT SUITABILITY**

The Fund is suitable for investors who are seeking \*Long Term capital growth and are prepared to take on a higher level of risk associated with investment in small capitalised stocks.

*Note: \*Long Term refers to a period of 5 years and above.*

**KEY PRODUCT FEATURES**

a) What am I investing in?

|                      |  |
|----------------------|--|
| Fund Category / Type | Equity / Smallcap  |
| Fund Inception       | 1 June 1970  |
| Investment Strategy  | To seek *Long Term capital appreciation by investing in shares of small capitalised and high growth Shariah-compliant companies** listed on Bursa Malaysia.<br><br><i>Note: *Long Term refers to a period of 5 years and above.<br/>** high growth companies are local companies with earnings growth potential that are expected to exceed the gross domestic product growth of Malaysia.</i> |
| Asset Allocation     | Shariah-compliant equities: 70% - 98%<br>Islamic deposit and/or Islamic liquid assets: 2% - 30%  |
| Benchmark            | FTSE Bursa Malaysia Small Cap Shariah Index  |
| Financial Year End   | 15 <sup>th</sup> day of January  |
| Distribution Policy  | The Fund's distribution policy will be incidental. The distribution of income (if any) will be declared at the end of each financial year end of the Fund.   |

b) Who am I investing with?

|                 |                                     |
|-----------------|-------------------------------------|
| Manager         | MIDF Amanah Asset Management Berhad |
| Trustee         | AmanahRaya Trustees Berhad          |
| Auditors        | Ernst & Young                       |
| Solicitors      | Wei Chien & Partners                |
| Shariah adviser | MIDF Amanah Investment Bank Berhad  |

**KEY RISKS**

Specific Risks associated with this product:

|                          |  |
|--------------------------|--|
| Market Risk              | Market risk refers to potential losses that may arise from changes in the market prices of the Fund's investments. The prices of Shariah-compliant securities that the Fund invests in may fluctuate due to various factors, for example, events or news relating to the general market or economic conditions. Such movements in the prices of Shariah-compliant securities will cause the prices or NAV of the units to fluctuate. |
| Securities Specific Risk | Any fluctuation in the value of Shariah-compliant securities in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company may affect the price of units. The impact is however mitigated   |

|   |  |
|---|--|
|   | by the Fund investing in a wide portfolio of Shariah-compliant investments, thus spreading the element of risk.  |
| Liquidity Risk                          | Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices.  |
| Reclassification of Shariah Status Risk | This risk refers to the risk that the currently held Shariah-compliant equities in the portfolio of the Fund may be reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of the SC ("SACSC") or the Shariah adviser. If this occurs, the value of the Fund may be adversely affected where the Manager will take the necessary steps to dispose of such equities in accordance with SACSC's resolutions and guidelines. There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. |

*Note: If your investments are made through a distributor (i.e. the institutional unit trusts advisers via a nominee system of ownership), you would not be deemed to be a unit holder under the deed and as a result, your rights as an investor may be limited if you are investing through a distributor. Accordingly, we will only recognize the distributor as a unit holder of the Fund and the said distributor shall be entitled to all the rights conferred to it under the deed.*

### FEES AND CHARGES

|                   |   |
|-------------------|---|
| Sales Charge      | Up to 5.0% of the NAV per unit.   |
| Repurchase Charge | Nil   |
| Switching Charge  | Two (2) free switching for each unit holder in a calendar year. Subsequent switching will be charged RM25 per switch. |
| Transfer Fee      | RM50 per transfer.  |
| Management Fee    | 1.50% per annum of the Fund's NAV.  |
| Trustee Fee       | Up to 0.08% per annum of the Fund's NAV.  |

**Note: The Manager reserves the right to waive or reduce the amount of any fees or other charges from time to time at its absolute discretion.**

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

### VALUATIONS AND EXITING FROM INVESTMENT

|                           |   |
|---------------------------|---|
| <b>Valuations</b>         | The NAV of the Fund is calculated at the end of each Business Day immediately after the Bursa Malaysia is closed and the unit price is available on our website at <a href="http://www.midf.com.my/index.php/en/what-we-do-en/asset-management">www.midf.com.my/index.php/en/what-we-do-en/asset-management</a>   |
| <b>Cooling-off Period</b> | A cooling-off right is only given to an individual investor, other than those listed below, who is investing in any of the Manager's funds for the first time:<br>(i) a staff of the Manager; and<br>(ii) persons registered with a body approved by the SC to deal in unit trusts.<br><br>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 Manager.  |
| <b>Redemption</b>         | A unit holder may make a partial or full redemption by completing a transaction form and returning it to the Manager. The redemption proceed shall be paid within 10 calendar days from the date the request to repurchase is received by the Manager.<br><br>For partial redemption, the unit holdings after the redemption must not be less than one hundred (100) units. If the unit holdings of a unit holder are, after a redemption request, below the minimum unit holdings of the Fund, a request for full redemption is deemed to have been made.<br><br>In the event if a unit holder opts for a redemption payment method that involves any fees or charges such as postage for courier services, registered mail, bank charges for telegraphic transfer, bank cheque or other special payment method, the applicable fees or charges will be charged to the unit holder.<br><br>Other than the above conditions, there are no restrictions in terms of frequency and minimum units to be repurchased. |

## FUND PERFORMANCE

For the Year ended 15 January 2021, the NAV per unit of MASF increased by 8.89% underperformed the FBMSCSM that increased by 15.32%. The key objective of MASF is to achieve long-term capital growth through investment in smaller, high-growth companies. For the period under review, the fund achieved its objective but underperformed its benchmark. The FBMSCSM has been identified as the benchmark for MASF as it is the closest comparable index.

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### AVERAGE TOTAL RETURN

|             | The Fund | *FBMSCSM |
|-------------|----------|----------|
| One Year    | 8.89%    | 15.32%   |
| Three Years | -3.93%   | -2.70%   |

*\*Note: Effective 1 June 2018, FBMSCSM has been identified as the new benchmark for MASF subsequent to its conversion from a conventional fund to a Shariah-compliant fund. Therefore, data on the average total return of the fund against its new comparable benchmark (i.e. FBMSCSM) for Five years are not available.*

Average total return is derived using the following formula:

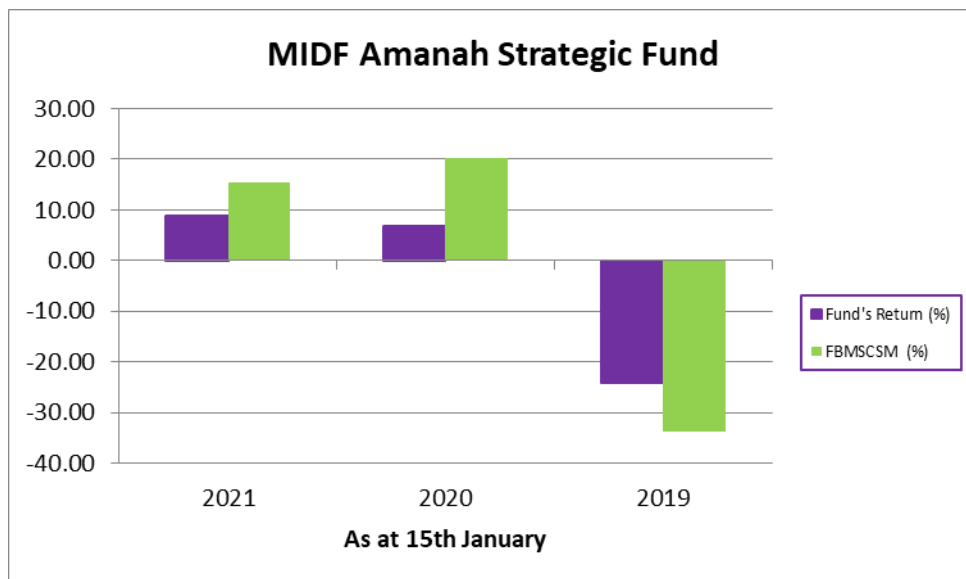
$$\frac{\text{Total Returns}}{\text{Number of Years Under Review}}$$

### ANNUAL TOTAL RETURN

| MASF                           |       |       |        |
|--------------------------------|-------|-------|--------|
| As At 15 <sup>th</sup> January | 2021  | 2020  | 2019   |
| Fund's Return (%)              | 8.89  | 6.73  | -24.10 |
| *FBMSCSM (%)                   | 15.32 | 20.29 | -33.74 |

*\*Source: Bursa Malaysia*

*Note: Effective 1 June 2018, FBMSCSM has been identified as the new benchmark for MASF subsequent to its conversion from a conventional fund to a Shariah-compliant fund. Therefore, data on the annual total return of the fund against its new comparable benchmark (i.e. FBMSCSM) for year 2018 and 2017 are not available.*



| Financial Year As at 15 <sup>th</sup> January     | 2021  | 2020  | 2019  |
|---|-------|-------|-------|
| <b>Asset Allocation:</b>                          |       |       |       |
| - Equities  | 86.3% | 74.2% | 80.1% |
| - Money Market Instruments and Others             | 13.7% | 25.8% | 19.9% |
| <b>Portfolio Turnover Ratio("PTR") (times)*</b>   | 1.09  | 1.14  | 0.61  |
| <b>Management Expenses Ratio("MER")(%)#</b>       | 1.74  | 1.74  | 1.77  |
| <b>Income Distribution – Gross per Unit (sen)</b> | Nil   | Nil   | Nil   |
| <b>Income Distribution – Net per Unit (sen)</b>   | Nil   | Nil   | Nil   |

\* The PTR in FYE 2021 was lower at 1.09 times as compared to 1.14 times in 2020 due to lower trading activity amid high uncertainties during the period under review.

# There was no change in the MER FYE 2021.

## FUND HIGHLIGHTS

### Audited Statement of Comprehensive Income for the Financial Years ended 15 January:

|   | 2021             | 2020             | 2019               |
|---|------------------|------------------|--------------------|
|   | RM               | RM               | RM                 |
| Total Investment Income/(Loss)          | 1,680,011        | 1,382,239        | (4,711,336)        |
| Total Expenses                          | (343,636)        | (375,738)        | (377,303)          |
| Net Income/(Loss) Before Taxation       | 1,336,375        | 1,006,501        | (5,088,639)        |
| <b>Net Income/(Loss) After Taxation</b> | <b>1,336,375</b> | <b>1,006,501</b> | <b>(5,096,407)</b> |

### Audited Statement of Financial Position for the Financial Years ended 15 January:

|                                     | 2021              | 2020              | 2019              |
|-------------------------------------|-------------------|-------------------|-------------------|
|                                     | RM                | RM                | RM                |
| Total Assets                        | 16,410,295        | 15,798,919        | 15,515,299        |
| Total Liabilities                   | 90,403            | 137,638           | 74,519            |
| <b>Net Asset Value/Total Equity</b> | <b>16,319,892</b> | <b>15,661,281</b> | <b>15,440,780</b> |

THE AUDITED FINANCIAL STATEMENTS OF THE FUND ARE DISCLOSED IN THE FUND'S ANNUAL REPORT.  
THE ANNUAL REPORTS OF THE FUND ARE AVAILABLE UPON REQUEST.

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

## CONTACT INFORMATION

- For internal dispute resolution, you may contact:

Our Customer Service Line at 03 – 2173 8488, which is available Mondays to Fridays (except public holidays), from 8.45 a.m. to 5.45 p.m. or you may email us at [midfamanah@midf.com.my](mailto:midfamanah@midf.com.my)

- If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Centre (SIDREC):
  - via phone to : 03-2282 2280
  - via fax to : 03-2282 3855
  - via email to : [info@sidrec.com.my](mailto:info@sidrec.com.my)
  - via letter to : Securities Industry Dispute Resolution Centre (SIDREC)  
Unit A-9-1, Level 9, Tower A  
Menara UOA Bangsar  
No. 5 Jalan Bangsar Utama 1  
59000 Kuala Lumpur
- You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Consumer & Investor Office:
  - via phone to Aduan Hotline at : 03-6204 8999
  - via fax to : 03-6204 8991
  - via email to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
  - via online complaint form available at [www.sc.com.my](http://www.sc.com.my)

- (e) via letter to : Consumer & Investor Office  
Securities Commission Malaysia  
No 3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur
- 4) Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau
- (a) via phone to : 03-2092 3800
- (b) via fax to : 03-2093 2700
- (c) via e-mail to : [complaints@fimm.com.my](mailto:complaints@fimm.com.my)
- (d) via online complaint form available at : [www.fimm.com.my](http://www.fimm.com.my)
- (e) via letter to : Legal, Secretarial & Regulatory Affairs  
Federation of Investment Managers Malaysia  
19-06-1, 6th Floor, Wisma Tune,  
No.19, Lorong Dungun,  
Damansara Heights,  
50490 Kuala Lumpur.

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#### APPENDIX: GLOSSARY

|                           |   |
|---------------------------|---|
| Bursa Malaysia            | : Bursa Malaysia Securities Berhad  |
| Business Day              | : a day on which the Bursa Malaysia is open for trading   |
| CMSA                      | : Capital Markets and Services Act 2007   |
| Deed                      | : the master deed and any master supplemental deeds for the Fund that may be entered into between the Manager and the Trustees and registered with the SC |
| FBMSCSM                   | : FTSE Bursa Malaysia Small Cap Shariah Index   |
| Fund                      | : refers to any unit trust schemes that may offered by MIDF Amanah  |
| MASF / The Fund           | : MIDF Amanah Strategic Fund  |
| MIDF Amanah / The Manager | : MIDF Amanah Asset Management Berhad   |
| NAV                       | : Net Asset Value (NAV) of the Fund is the total value of the Fund's asset minus its liabilities at the valuation point.                                  |
| NAV per unit              | : the NAV of the Fund divided by its total number of units in issue as at a valuation point   |
| PHS                       | : Product Highlights Sheet  |
| RM                        | : Ringgit Malaysia  |
| SC                        | : Securities Commission Malaysia  |

**Note: Unless the context otherwise requires, words importing the singular number should include the plural number and vice versa.**