

## **PRODUCT HIGHLIGHTS SHEET**

### **MIDF AMANAH SHARIAH EQUITY FUND**

**Date of Issuance: 5 July 2017**

#### **Responsibility Statement**

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 accepted 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 omissions of other facts which would make any statement in the PHS false or misleading.

#### **Statements of Disclaimer**

The relevant information and document in relation to the MIDF Amanah Shariah Equity Fund, including a copy of this PHS has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

The lodgement of the relevant information and document in relation to the MIDF Amanah Shariah Equity Fund, including this PHS, should not be taken to indicate that the Securities Commission Malaysia recommends the MIDF Amanah Shariah Equity Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this PHS.

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

**PRODUCT HIGHLIGHTS SHEET**  
for  
**MIDF AMANAH SHARIAH EQUITY FUND**

**BRIEF INFORMATION OF THE PRODUCT**

MIDF Amanah Shariah Equity Fund is a Shariah-compliant equity wholesale fund issued by MIDF Amanah Asset Management Berhad, aims to achieve long-term capital growth for investors through investments in a portfolio of Shariah-compliant equities.

**PRODUCT SUITABILITY**

The Fund aims to invest at least 70% of its NAV in Shariah-compliant equities listed in Bursa Malaysia that offer long-term growth potential. The remainder of the Fund's NAV not invested in Shariah-compliant equities will be invested in Islamic Deposits and/or Islamic money market instruments up to a limit of 30% of the Fund's NAV.

**KEY PRODUCT FEATURES**

a) What am I investing in?

Fund Category / Type	Shariah-compliant Equity Wholesale Fund / Growth
Commencement Date	The first Business Day after the date of the first information memorandum for the Fund.
Investment Strategy	The Fund aims to invest at least 70% of its NAV in Shariah-compliant equities listed in Bursa Malaysia that offer long-term growth potential. The remainder of the Fund's NAV not invested in Shariah-compliant equities will be invested in Islamic Deposits and/or Islamic money market instruments up to a limit of 30% of the Fund's NAV.
Asset Allocation	At least 70% of the Fund's NAV will be invested in Shariah-compliant equities.  A maximum of 30% of the Fund's NAV will be invested in Islamic Deposits and/or Islamic money market instruments.
Performance Benchmark	FTSE Bursa Malaysia Hijrah Index  <i>Note: The risk profile of the Fund differs from the risk profile of the benchmark.</i>
Financial Year End	The last day of the commencement month of the Fund. The first financial year shall be the period beginning from the commencement date and ending on the date which is the month end of the commencement date of the subsequent year.
Income Distribution Policy	Annually, depending on the level of income (if any) the Fund generates and at the discretion* of the Manager after deducting all fees, zakat and expenses including management fee and trustee fee.  <i>*The Manager has the discretion with due consideration for the best interest of the Fund, to decide on the amount to be distributed to the Unit Holders. If the distribution available is too small or insignificant, the Manager may choose not to distribute the income as the distribution may not be beneficial to the Unit Holders as the total cost to be incurred in such distribution may be higher than the amount available for distribution.</i>

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

**FEES AND CHARGES**

Sales Charge per Unit	Nil
Repurchase Charge per Unit	Nil

Annual Management Fee	Up to 1.50% per annum of the NAV of the Fund.
Annual Trustee Fee	0.05 % per annum of the NAV of the Fund.
Switching Fee	Nil. Switching is not allowed for this Fund.
Transfer Fee	Nil. Unit Holders are not allowed to transfer their Units.

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

**The fees and charges stated are exclusive of goods and services tax.**

## 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 securities that the Fund invests in may fluctuate due to various factors, for example, events or news relating to the general market, economic uncertainties, political and geo-political conditions. Such movements in the prices of securities will cause the prices or NAV of the Units to fluctuate. This is a risk associated with all securities and cannot be eliminated. The Fund may invest in a well-diversified portfolio of securities from different sectors which would help mitigate this risk so that the adverse movement of securities from any one sector would not impact too greatly on the value of the Fund.
Stock Specific Risk	Any fluctuation in the value of a particular Shariah-compliant security 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 minimized by the Fund investing in a wide portfolio of investments consisting of Shariah-compliant securities issued by various companies, thus spreading the element of risk.
Profit Rate Risk	Changes in interest rates will generally affect the profit rates for Islamic Islamic Deposit. In the event of rising interest rates, Islamic Deposits will suffer the opportunity loss to earn profits at higher rate and prices of such affected Islamic money market instruments will generally decrease and vice versa.
Inflation Risk	Inflation reduces the purchasing power of money even though the value of the investment in monetary terms has increased. Therefore, in an inflationary environment, there is a possibility that income from Islamic Deposits and the returns from Islamic money market instruments may not be able to keep up with inflation. This risk can be mitigated by investing in Islamic money market instruments that can provide positive real rate of return.
Counterparty Risk	Counterparty risk refers to the risk that the counterparty of the Islamic money market instruments and Islamic Deposits with which the Fund has invested in fails to fulfill its obligations such as failing to make timely payments of profit and/or principal when due.
Default Risk	This risk relates to the creditworthiness of a financial institution or an issuer and its expected ability to make timely payments of interest and/or principal. Any adverse situations faced by the financial institution or issuer may impact the value as well as liquidity of the Islamic Deposits and Islamic money market instruments. In the event a financial institution or an issuer defaults on its obligations, i.e. unable to service timely payments of interest and/or pay the principal amount upon maturity, this may result in the loss of capital and/or income, thus reducing the value of the Fund. The Manager will conduct ongoing monitoring of the financial institution's or issuer's credit ratings.
Reclassification of Shariah Status Risk	This risk refers to the risk that the currently held Shariah-compliant securities in the portfolio of Islamic funds may be reclassified to be Shariah non-compliant in the periodic review of the securities by the 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 securities 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 securities.

**Prospective investors are advised to read the disclosure documents, understand and consider the risks involved, prior to making an investment.**

**Note: If your investments are made through an institutional unit trust adviser ("Distributor") which adopts the 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. Accordingly, we will only recognize the Distributor as a Unit Holder of the Fund and the Distributor shall be entitled to all the rights conferred to it under the Deed.**

## TRANSACTION INFORMATION

Minimum Initial Investment	RM50,000.00 or such amount as the Manager may decide from time to time.
Minimum Additional Investment	RM50,000.00 or such lower amount as the Manager may decide from time to time.
Minimum Holdings	RM50,000.00 or such amount as the Manager may decide from time to time.
Minimum Repurchase	RM50,000.00 or such lower amount as the Manager may decide from time to time.
Frequency of Repurchase	No limit

## VALUATIONS AND EXITING FROM INVESTMENT

### Valuation

The NAV of the Fund is determined at the close of each Business Day and is the total value of all assets of the Fund (which includes, amongst others investments and cash held by the Fund including income derived by the Fund which has not been distributed to Unit Holders), less all liabilities of the Fund (which includes, amongst others, any amount owing or payable by the Fund including any valid provisions that the Trustee or the Manager considers necessary to be made). Investors can obtain the NAV per Unit through MIDF Amanah's Customer Service Line at 03-2173 8488.

### Dealing Cut-Off Time for Investment, Redemption / Repurchase of Units

Units can be bought or sold on any Business Day between 8.45 a.m. to 5.45 p.m. However, the cut off time is 4.00 p.m. (or such other later time as the Manager may deem fit in its discretion) which means applications received after 4.00 p.m. will be deemed to have been received on the following Business Day.

### Exit From The Investment and The Risks or Costs Involved

Unit Holders may redeem their investments partially or wholly by requesting the Manager to repurchase their Units; requests are irrevocable. Units will be repurchased at the NAV per Unit as at the close of the Business Day when the request is received. There is no repurchase charge. Repurchase proceeds will be paid to a Unit Holder within 10 days from the Manager's receipt of the repurchase request. Redemptions have to be for a minimum of RM50,000.00; if following a repurchase request or such amount as the Manager may decide from time to time, a Unit Holder will be holding less than RM50,000.00 worth of Units or such amount as the Manager may decide from time to time, the Manager is entitled, but not compelled, to consider that a repurchase request has also been made in respect of those Units and can compulsorily repurchase the same.

If due to circumstances beyond the Manager's control and in the Manager's sole opinion, liquidation of the assets of the Fund for the purpose of raising proceeds for repurchase cannot be effected without prejudicing the interests of Unit Holders, the Manager will endeavour to pay the Unit Holders within 10 days from the Manager's receipt of the repurchase request.

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.

## CONTACT INFORMATION

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

- 1) 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)

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

- (a) via phone to : 03-2282 2280
- (b) via fax to : 03-2282 3855
- (c) via email to : [info@sidrec.com.my](mailto:info@sidrec.com.my)
- (d) 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

- 3) 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 Investor Affairs & Complaints Department:

- (a) via phone to the Aduan Hotline at : 03-6204 8999
- (b) via fax to : 03-6204 8991
- (c) via email to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)

- (d) via online complaint form available at [www.sc.com.my](http://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
- 4) Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:
- a) via phone to Aduan Hotline at : 03-20923800
- b) via fax to : 03-20932700
- c) via email 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, 6<sup>th</sup> Floor Wisma Tune  
No. 19 Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur

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#### APPENDIX: GLOSSARY

Bursa Malaysia	: stock exchange managed and operated by Bursa Malaysia Securities Berhad
Business Day	: a day on which the Bursa Malaysia is open for trading and/or banks in Kuala Lumpur are open for business; The Manager may declare certain business days to be a non business day although Bursa Malaysia and/or the banks in Kuala Lumpur are open for business
CMSA	: Capital Markets and Services Act 2007
Deed	: the deed dated 14 June 2017 relating to the Fund entered into between the Manager and the Trustee and any supplemental(s) thereto that may be entered into between the Manager and the Trustee
Fund	: the wholesale fund known as MIDF Amanah Shariah Equity Fund
Islamic Deposits	: Islamic current deposits and/or Islamic term deposits
MIDF Amanah or Manager	: MIDF Amanah Asset Management Berhad (11804-D)
NAV of the Fund	: is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point
NAV per Unit	: the NAV of the Fund at a particular valuation point divided by the total number of units of that Fund in circulation at the same valuation point
PHS	: Product Highlights Sheet
RAM	: RAM Rating Services Berhad
RM	: Ringgit Malaysia
SC	: Securities Commission Malaysia
Trustee	: AmanahRaya Trustees Berhad (766894-T)
Unit	: in relation to the Fund, means unit of the Fund and where applicable includes a fraction of the unit
Unit Holder(s)	: the person registered as the holder of a Unit or Units including persons jointly registered

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