

MIDF AMANAH SHARIAH MONEY MARKET FUND II

Date of Issuance: 31 May 2023

RESPONSIBILITY STATEMENT

This Product Highlights Sheet (“PHS”) has been reviewed and approved by the directors of MIDF Amanah Asset Berhad (“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, there are no false or misleading statements or omission of other facts which would make any statement in the PHS false or misleading.

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia (“SC”) has authorised the issuance of MIDF Amanah Shariah Money Market Fund II (“MASMMF II / the Fund”) and a copy of this PHS has been lodged with the SC.

The authorisation of the MASMMF II and lodgement of this PHS, should not be taken to indicate that the SC recommends the MASMMF II 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 MASMMF II 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 disclosure documents of the Fund before deciding to invest.

PRODUCT HIGHLIGHTS SHEET
for
MIDF AMANAH SHARIAH MONEY MARKET FUND II

BRIEF INFORMATION OF THE PRODUCT

MIDF Amanah Shariah Money Market Fund II ("MASMMF II / the Fund"), is an Islamic money market fund issued by MIDF Amanah Asset Management Berhad, aims to provide investors with a regular income stream* over the short to medium term while maintaining capital stability.

** In the absence of written instructions to the contrary from a Unit Holder, any income distribution will be reinvested in the Fund.*

This is neither a capital protected nor capital guaranteed fund.

PRODUCT SUITABILITY

The Fund is suitable for investors who:

- have either a short to medium term* investment horizon;
- desire a stream of income**; and
- have low risk tolerance.

Notes: * short to medium term refers to a period of less than three (3) years.

** In the absence of written instructions to the contrary from a Unit Holder, any income distribution will be reinvested in the Fund.

KEY PRODUCT FEATURES

a) What am I investing in?

Fund Category / Type	Islamic Money Market / Income (Islamic)
Fund Inception	24 January 1984
Class	Class C and Class R
Investment Strategy	<p>The Fund will invest in Islamic deposits, Islamic money market instruments and/or short-term sukuk.</p> <p>The Fund will invest at least 90% of its NAV in short-term Islamic deposits, short-term Islamic money market instruments and/or short-term sukuk. Up to 10% of the Fund's NAV will be invested in high quality sukuk which have a remaining maturity period of more than 397 days but fewer than 732 days.</p> <p>The minimum credit rating of Islamic money market instruments and short-term sukuk that the Fund shall invest in is at least "BBB" for long-term instruments or "P2" for short-term papers. Should the ratings be downgraded below the stated minimum credit rating, the Manager shall dispose off the instruments/ papers within the reasonable time frame taking into consideration of market condition and factors at that point of time.</p> <p>The Fund will be actively managed. However, the frequency of its trading will depend on market opportunities.</p>
Asset Allocation	<p>Minimum 90% - short-term Islamic deposits, short-term Islamic money market instruments and/or short-term sukuk.</p> <p>Up to 10% - high quality sukuk which have a remaining maturity period of more than 397 days but fewer than 732 days.</p>
Benchmark	Maybank Islamic Overnight Rate (Murabahah)
Financial Year End	15 th day of November
Distribution Policy	<p>The Fund's distribution policy will be in line with the objective of the Fund. Distribution of income, if any will be declared at the end of each month depending on the level of income (if any) generated by the Fund and at the discretion* of the Manager.</p> <p><i>*The Manager has the discretion 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</i></p>

	<i>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>
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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:

Credit Risk	This refers to the possibility that an issuer may not be able to make timely profit or principal payments. A default in the payment of profit and principal will adversely affect the value of the Fund. However, this risk can be mitigated through investing in instruments that have a minimum rating of BBB by the Rating Agency of Malaysia or other local rating agencies while employing a portfolio diversification strategy. Any downgrading of a particular instrument below the minimum rating will be disposed of for its creditworthiness as soon as practicable.
Profit Rate Risk	The risk refers to the effect of profit rate changes on the market value of a sukuk portfolio or Islamic money market instruments. In the event of rising profit rates, the profit rate is affected and the sukuk prices and Islamic money market instruments' prices will generally fall and vice versa, thus affecting the NAV of the Fund. However, should the Fund hold a sukuk till maturity, such price fluctuations would dissipate as it approaches maturity, and thus the NAV shall not be affected at maturity. In order to mitigate profit rates exposure of the Fund, the Manager will actively manage the duration of the sukuk portfolio.
Reinvestment Risk	This is a risk that future proceeds (profit and/or capital) are reinvested at a lower potential profit rate. Reinvestment risk is especially evident during periods of falling profit rates where the coupon/profit payments are reinvested at less than the yield to maturity (actual profit rate) at the time of purchase.
Regulatory Risk	Any changes in national policies and regulations may have an effect on the capital markets in which the Fund is investing. If this occurs there is a possibility that the value of Unit Holders' investments may be adversely affected.

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	Nil
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	Up to 0.50% per annum of the Fund's NAV.
Trustee Fee	Up to 0.07% 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 AND THE RISKS OR COSTS INVOLVED

Valuations	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 https://www.midf.com.my/fund-management
Cooling-off Period	A cooling-off right is only given to an individual investor, other than those listed below, who is

	<p>investing in any of the Manager's funds for the first time:</p> <p>(i) a staff of the Manager; and (ii) persons registered with a body approved by the SC to deal in unit trusts.</p> <p>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.</p> <p>The refund for every Unit held by the investor pursuant to the exercise of his cooling-off right shall be as follows:</p> <p>(a) if the NAV per Unit on the day the Units were first purchased is higher than the NAV per 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 NAV per Unit on the day the Units were first purchased, the NAV per Unit on the day the Units were first purchased; and (c) the sales charge per Unit originally imposed on the day the Units were purchased.</p> <p>The refund amount shall be paid to the Unit Holder within seven (7) Business Days from the date of cooling-off request is received.</p>
Repurchase of Units	<p>Investors may redeem part or all of his Units by simply completing the transaction form and returning it to the Manager. Investors shall be paid within seven (7) Business Days from the date the request to repurchase is received by the Manager.</p> <p>For partial repurchase, the Unit holdings after the redemption must not be less than one thousand (1,000) Units or such other lower number of Units as may be determined by the Manager from time to time. 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.</p> <p>Other than the above conditions, there are no restrictions in terms of frequency and minimum Units to be repurchased.</p>

FUND PERFORMANCE

For the financial year ended 15 November 2022, the NAV was maintained at RM0.5000 per Unit. The difference of 0.04% in the NAV per Unit is the distribution payable for the period from 1 November 2022 to 15 November 2022, which will be declared in the next financial period of the Fund. The number of Units in circulation decreased to 1.83 billion Units as at 15 November 2022 from 6.16 billion Units registered as at 15 November 2021. The Fund met its objective in providing capital stability with regular income returns through investments in short-term Islamic placements during the period under review. The Fund has declared and distributed a total income of 1.05 sen which translated to a net dividend yield of 2.09% p.a. The Maybank Islamic Overnight Rate has been identified as the benchmark given that it is easily accessible and provides a good indicator on the performance of the Islamic Money Market ("IMM").

AVERAGE TOTAL RETURN

As at 15 th November	The Fund #	*Maybank Islamic Overnight Rate
One year	2.17	1.10
Three years	6.57	2.19

The figure reported as above is the gross average total return of the Fund.

*Source: Maybank's website (www.maybank2u.com.my)

Note: Effective 1 June 2018, Maybank Islamic Overnight Rate has been identified as new benchmark for MASMMF II subsequent to its conversion from a conventional unit trust fund to an Islamic unit trust fund. Therefore, data on the average total return of the fund against its new comparable benchmark (i.e. Maybank Islamic Overnight Rate) for Five years are not available.

Average total return is derived using the following formula:

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

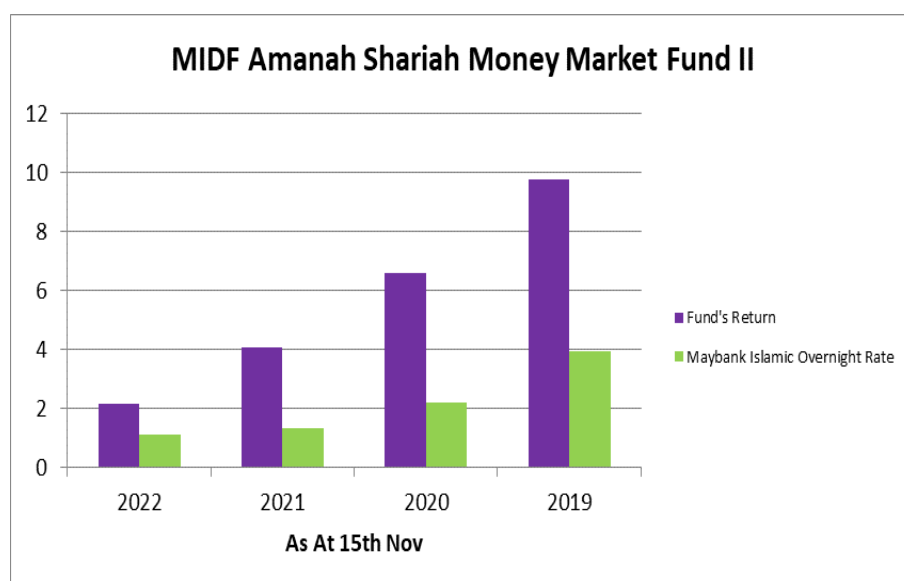
ANNUAL TOTAL RETURN

MIDF Amanah Shariah Money Market Fund II			
As At 15 th November	2022	2021	2020
# Fund's Return (%)	2.17	1.90	2.50
* Maybank Islamic Overnight Rate (%)	1.10	0.25	0.84

The figure reported as above is the gross annual total return of the Fund.

*Source: Maybank's website (www.maybank2u.com.my)

Note: Effective 1 June 2018, Maybank Islamic Overnight Rate has been identified as new benchmark for MASMMF II subsequent to conversion from a conventional unit trust fund to an Islamic unit trust fund. Therefore, data on the annual total return of the fund against its new comparable benchmark (i.e. Maybank Islamic Overnight Rate) for year 2018 and 2017 are not available.



Financial Year As At 15 th November	2022	2021	2020
Asset Allocation:			
- Quoted Fixed Income Securities	0%	0%	0%
- Money Market Instruments and Others	100%	100%	100%
Portfolio Turnover Ratio("PTR") (times)*	21.77	16.94	16.53
Total Expenses Ratio("TER")(%)#	0.08	0.10	0.12
Income Distribution – Gross per Unit (sen)^	1.05	0.90	1.19
Income Distribution – Net per Unit (sen)^	1.05	0.90	1.19

* The PTR for 2022 is at 21.77 times, as compared to 16.94 times in 2021. The difference was due to higher trading activities in 2021.

The TER for 2022 is at 0.08%, slightly lower than previous year of 0.10%.

^ Income distribution was made in the form of reinvestment of Units.

FUND HIGHLIGHTS

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

	2022	2021	2020
	RM	RM	RM
Total Investment Income/(Loss)	26,517,400	93,049,160	128,396,297
Total Expenses	(1,031,458)	(5,147,356)	(6,606,186)
Net Income/(Loss) Before Taxation	25,485,942	87,901,804	121,790,111
Net Income/(Loss) After Taxation	25,485,942	87,901,804	121,790,111

Audited Statement of Financial Position for the Financial Years ended 15 November:

	2022	2021	2020
	RM	RM	RM
Total Assets	917,352,947	3,082,884,055	6,731,389,596
Total Liabilities	94,470	360,642	5,857,093
Net Asset Value/Total Equity	917,258,477	3,082,523,413	6,725,532,503

**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

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

- 2) 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):

- (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 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 Consumer & Investor Office:

- (a) via phone to Aduan Hotline at : 03-6204 8999
- (b) via fax to : 03-6204 8991
- (c) via email 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

- 4) Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau

- (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, Secretarial & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6th Floor, Wisma Tune,
No.19, Lorong Dungun,
Damansara Heights,
50490 Kuala Lumpur.

APPENDIX: GLOSSARY

Bursa Malaysia	: the stock exchange managed or operated by Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
Business Day	: a day on which the Bursa Malaysia is open for trading
MASMMF II / The Fund	: MIDF Amanah Shariah Money Market Fund II
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; where the Fund has more than one (1) Class, there shall be a NAV of the Fund attributable to each Class
NAV per Unit	: the NAV of the Fund divided by its total number of Units in issue as at a valuation point; where the Fund has more than one (1) Class, there shall be a NAV per Unit for each Class; the NAV per Unit for a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of Units in circulation for that Class at the same valuation point
PHS	: Product Highlights Sheet
RM	: Ringgit Malaysia
SC	: Securities Commission Malaysia
Unit or Units	: a measurement of the right or interest of a Unit Holder in the Fund and means a Unit (including a fraction of a Unit) of the Fund; if the Fund has more than one (1) Class, it means a unit issued for each Class
Unit Holders / investors / you	: the person registered as the holder of a Unit or Units including persons jointly registered for a particular Fund; if the Fund has more than one (1) Class, it refers to the person registered as the holder of Unit or Units including persons jointly registered for any Class; in relation to the Fund, it refers to all the unit holders of every Class of the Fund

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