

MIDF DIVIDEND FUND **(formerly known as MIDF Amanah Islamic Fund)**

Date of Issuance: 4 October 2024

Responsibility Statements

This Product Highlights Sheet (“PHS”) has been reviewed and approved by the directors of MIDF Amanah Asset Management 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, 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 Dividend Fund (“MDF / the Fund”) and a copy of this PHS has been lodged with the Securities Commission Malaysia (“SC”).

The authorisation of the MDF and lodgement of this PHS, should not be taken to indicate that the SC recommends the MDF 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 MDF 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 DIVIDEND FUND

BRIEF INFORMATION ON THE PRODUCT

MIDF Dividend Fund (“MDF / the Fund”) is a Shariah-compliant equity fund issued by MIDF Amanah Asset Management Berhad, aims to achieve long term* capital growth through investments which conform with the principles of the Shariah.

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, who wish their investments to be in line with Shariah and who can tolerate high level of risks.

*Note: * long term refers to a period of 5 years and above.*

KEY PRODUCT FEATURES

a) What am I investing in?

| | |
|----------------------|---|
| Fund Category / Type | Shariah-compliant Equity / Growth |
| Fund Inception | 14 May 1971 |
| Investment Strategy | <p>The investment strategy is to seek long term* capital appreciation by investing in Shariah-compliant securities listed on Bursa Malaysia that pay dividend or potentially offer dividends.</p> <p><i>Note: *long term refers to a period of 5 years and above.</i></p> <p>The overall investment strategy for the Fund focuses on implementing appropriate asset allocation and securities selection based on the prevailing investment outlook at that time. In other words, the Manager aims to employ the optimal combination of asset allocation and securities selection strategies for the Fund at any point of time. The Manager adopts a “Top Down” approach to Shariah-compliant asset allocation and a “Bottom Up” approach to Shariah-compliant securities selection.</p> <p>Shariah-compliant asset allocation decisions are arrived at after assessing the international and local economic and political environment as well as all other relevant factors. As for Shariah-compliant securities selection, the Manager uses various valuation yardsticks to value Shariah-compliant equities. Depending on the company’s business activity, sector characteristics and stage of economic cycle, some or all of these yardsticks may be used to value the Shariah-compliant equities.</p> <p>The Fund is actively managed. However, the frequency of its trading will depend on market opportunities.</p> |
| Asset Allocation | <p>Shariah-compliant equities: 70% - 98%</p> <p>Cash in bank and/or Islamic liquid assets: 2% - 30%</p> |
| Benchmark | <p>Absolute targeted return of 5% per annum. Please refer to our website for information on the Fund’s performance.</p> <p><i>Notes:</i></p> <p>(1) <i>This is not a guaranteed return and is only a measurement of the Fund’s performance. For the purpose of the Fund, the benchmark is used as a yardstick to assess the performance of the Fund.</i></p> <p>(2) <i>The performance benchmark has been changed from FBMS to absolute targeted return of 5% per annum. The change of the performance benchmark is to align the investment strategy of the Fund with the Manager’s investment philosophy.</i></p> |
| Financial Year End | 15 th day of June |
| 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 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 | MBSB 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 invest 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 | This risk refers to the ease with which the Fund's investment can be sold at a favourable price. Should the Fund's investment become illiquid, it may be sold at an unfavourable price which may then lower the value of the Fund's investments and subsequently the value of Unit Holders' investments. |
| 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 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. |
| Shariah-Compliant Equity Risk | The performance of the Shariah-compliant equities held by the Fund is also dependent on company specific factors like the company's business situation. If the company-specific factors deteriorate, the price of the specific Shariah-compliant equity may drop significantly and permanently. Such event could possibly occur even in a positive Shariah-compliant equity market trend. The risk will be managed via portfolio diversification of the Fund's investments in terms of its exposure to equity from various industries, sectors and countries. In addition, where necessary, exposure to a particular Shariah-compliant equity will also be reduced in the event of an anticipated weakness in that particular Shariah-compliant equity. |
| 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. |
| Shariah-compliant Equity-related Securities Risk | The value of the Shariah-compliant equity-related securities depends on the value of the underlying equities that the Shariah-compliant securities are related to. Any upward movement in the value of the underlying Shariah-compliant equities may result an upward movement of the value of the respective Shariah-compliant equity-related securities, and vice versa. Hence, the movement of the value of the Shariah-compliant equity-related securities will affect the value of the Fund. The Fund may also invest in Shariah-compliant equity-related securities such as Shariah-compliant warrant, that have an expiry date and may experience time decay, and the erosion of value accelerates as the instrument advances to its expiry date. If the Shariah-compliant warrant is not exercised on or before the expiry date, the Shariah-compliant warrant will have no value and negatively impact the NAV of the Fund. |

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 5.00% 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

| | |
|----------------------------|---|
| 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 | <p>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:</p> <ul style="list-style-type: none"> (i) a staff of the Manager; and (ii) persons registered with a body approved by the SC to deal in unit trusts. <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> <ul style="list-style-type: none"> (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>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 their 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 repurchase must not be less than one hundred (100) 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 repurchase 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 June 2024, the NAV per Unit of MDF increased by 21.82%, outperforming the FBMS by 1.35% as the latter registered a return of 20.47. The key objective of MDF is to achieve long-term capital growth through investments which conform to the principles of Shariah. During the period under review, the Fund achieved its objective in terms of capital growth in addition to outperforming its benchmark despite of the market's volatility. The stronger performance was attributed to the higher weightage and tactical allocation of utilities, construction, and property stocks which have fared well during the Fund's financial year. The FBMS has been identified as the benchmark for MDF during the period under review as it is the closest comparable index. Effective from 4 October 2024, the benchmark has been changed from FBMS to absolute targeted return of 5% per annum to align the investment strategy of the Fund with the Manager's investment philosophy.

AVERAGE TOTAL RETURN

| As at 15 th June | The Fund | Benchmark |
|-----------------------------|----------|-----------|
| One year | 21.82 | 20.47 |
| Three years | 7.94 | 0.04 |
| Five years | 1.20 | 0.41 |
| 10 years | 3.89% | -0.38 |

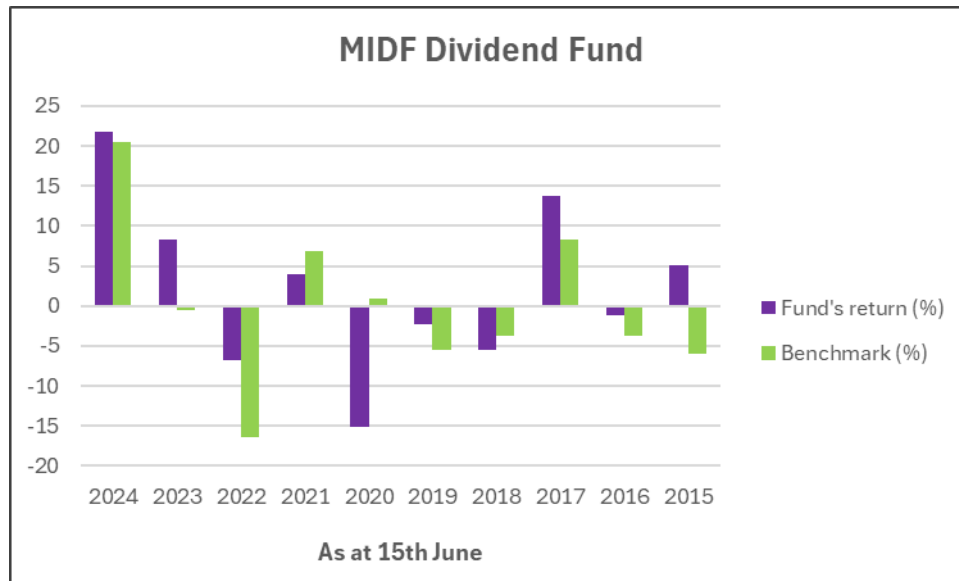
Average total return is derived using the following formula:

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

ANNUAL TOTAL RETURN

| MIDF DIVIDEND FUND | | | | | | | | | | |
|-----------------------------|-------|-------|--------|------|--------|-------|-------|-------|-------|-------|
| As at 15 th June | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Fund's Return (%) | 21.82 | 8.27 | -6.79 | 3.89 | -15.06 | -2.30 | -5.51 | 13.73 | -1.16 | 5.04 |
| Benchmark (%) | 20.47 | -0.50 | -16.48 | 6.85 | 0.92 | -5.50 | -3.75 | 8.36 | -3.75 | -6.04 |

Source: Bursa Malaysia



| Financial Year As at 15 th June | 2024 | 2023 | 2022 |
|---|--------|-------|--------|
| Asset Allocation: | | | |
| - Shariah-compliant Equities | 87.70% | 74.7% | 85.30% |
| - Islamic Money Market Instruments and Others | 12.30% | 25.3% | 14.70% |
| Portfolio Turnover Ratio("PTR") (times)* | 0.66 | 1.45 | 1.19 |
| Total Expense Ratio("TER")(%)# | 2.06 | 2.08 | 2.15 |
| Income Distribution – Gross per Unit (sen) | Nil | Nil | Nil |
| Income Distribution – Net per Unit (sen) | Nil | Nil | Nil |

* The PTR for 2024 was at 0.66 times as compared to 1.45 times in 2023. The difference was due to lower trading activities in 2024.

The TER for 2024 decreased marginally to 2.06% from 2.08% in 2023.

FUND HIGHLIGHTS

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

| | 2024 | 2023 | 2022 |
|---|----------------|----------------|------------------|
| | RM | RM | RM |
| Total Investment Income/(Loss) | 1,114,262 | 528,109 | (167,851) |
| Total Expenses | (121,908) | (155,307) | (153,056) |
| Net Income/(Loss) Before Taxation | 992,354 | 372,802 | (320,907) |
| Net Income/(Loss) After Taxation | 992,354 | 372,802 | (320,907) |

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

| | 2024 | 2023 | 2022 |
|-------------------------------------|------------------|------------------|------------------|
| | RM | RM | RM |
| Total Assets | 5,489,450 | 4,814,794 | 4,509,393 |
| Total Liabilities | 296,637 | 146,952 | 32,890 |
| Net Asset Value/Total Equity | 5,192,813 | 4,667,842 | 4,476,503 |

**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 |
| FBMS | : FTSE Bursa Malaysia Emas Shariah |
| MDF / the Fund | : MIDF Dividend Fund |
| The Manager / we / us / our | : MIDF Amanah Asset Management Berhad |
| Net Asset Value ("NAV") | : 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 |
| SACSC | : Shariah Advisory Council of SC |
| 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 |
| Unit Holders / investors / you | : the person registered as the holder of a Unit or Units including persons jointly registered for a particular Fund |

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