

Date of Issuance: 15 May 2024

## **KENANGA ASNITABOND FUND**

*(Formerly known as Libra ASnitaBOND Fund)*

### **RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorised committee and/or persons approved by the Board of Kenanga Investors Berhad 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 omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

### **STATEMENT OF DISCLAIMER**

The Securities Commission Malaysia has authorised the issuance of the Kenanga ASnitaBOND Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Kenanga ASnitaBOND Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Kenanga ASnitaBOND 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 Kenanga Investors Berhad responsible for the Kenanga ASnitaBOND 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.

# **kenanga**

**Kenanga Investors**

This Product Highlights Sheet 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

### KENANGA ASNITABOND FUND (“KABF” or the “Fund”)

#### BRIEF INFORMATION ABOUT THE PRODUCT

##### 1. What is this product about?

The Fund aims to provide capital preservation<sup>1</sup> with regular income<sup>2</sup> over the short to medium term period by investing in Islamic money market instruments and sukuk.

Note.

<sup>1</sup> Unit Holders are not to note that this is not a capital guaranteed nor protected Fund. Unit Holders' capital is neither guaranteed nor protected.

<sup>2</sup> All income distribution will be automatically reinvested into additional Units.

#### PRODUCT SUITABILITY

##### 2. Who is this product suitable for?

The Fund is suitable for investors who are looking for a relatively stable Shariah-compliant investment with potentially higher returns than traditional bank deposits, seeking exposure short to medium term to the wholesale sukuk market which is not easily accessible to retail investors, need to use their money only in the near term or as an emergency fund and want to enjoy possible above-average Islamic fixed deposit return while waiting for an opportunity to invest into a Shariah-compliant equity fund.

#### KEY PRODUCT FEATURES

##### 3. What am I investing in?

|                              |   |
|------------------------------|---|
| <b>Fund Type</b>             | Income  |
| <b>Fund Category</b>         | Bond (sukuk)  |
| <b>Launch Date</b>           | 18 March 2005   |
| <b>Investment Strategy</b>   | <p>Before constructing the Fund's portfolio, the Fund Manager will analyse the macro environment to enhance risk-adjusted returns by identifying market cycles, situational opportunities, value emergence and trend reversal plays.</p> <p>The Fund will adopt an investment strategy which will provide returns comparable to that of short term Islamic money market deposits, and which will at the same time, preserve the Fund's principal value and maintain a high degree of liquidity.</p> <p>With respect to sukuk, the Fund Manager will focus on consistent, above-average returns (relative to the Fund's performance benchmark) from fundamental research. Emphasis is placed on credit-worthy issuers of sukuk and investment-grade sukuk. A disciplined application of the top-down investment process is therefore applied, with due consideration given to the credit standing of individual issuers. The fund manager will seek to diversify the investments of the Fund across sectors and individual sukuk in order to mitigate the risk profile of the portfolio.</p> |
| <b>Asset Allocation</b>      | <p>Sukuk: Minimum 70% of the Fund's NAV</p> <p>Cash, Islamic deposits &amp; other Islamic liquid assets: Minimum 2% of the Fund's NAV</p>   |
| <b>Performance Benchmark</b> | Maybank 12 Months Islamic Fixed Deposit-i rate  |

##### 4. Who am I investing in?

|                               |   |
|-------------------------------|---|
| <b>Fund Manager / Manager</b> | Kenanga Investors Berhad (“Manager”)    |
| <b>Trustee</b>                | CIMB Islamic Trustee Berhad (“Trustee”) |
| <b>Shariah Adviser</b>        | BIMB Securities Sdn Bhd                 |

##### 5. What are the possible outcomes of my investment

Unit prices for this Fund may go down as well as up. The Fund is exposed to a variety of risks due to the nature of the investment strategy of the Fund. As such, the Fund does not provide any guarantee on the investment amount nor does it guarantee a fixed rate of return.

## KEY RISKS

### 6. What are the key risks associated with this product?

Investors are advised to read the Fund's prospectus and understand the risks involved and if necessary, consult a professional adviser for a better understanding of the risks before investing.

#### General Risks related to the Fund

|                                      |   |
|--------------------------------------|---|
| <b>Risk of Non-Compliance</b>        | The Fund's objective may be affected should the Management Company and the fund managers do not adhere to the Compliance investment mandate. To maintain the Fund's integrity, sufficient internal policies, controls and monitoring must be in place to protect the interests of the Unit Holders. In this instance, the compliance unit of the Management Company would oversee the operations of the Fund to reduce and mitigate instances of non-compliance with internal policies and the relevant laws, regulations and guidelines.   |
| <b>Fund Manager Risk</b>             | The performance of the Fund depends on the experience, knowledge and expertise of the fund manager and the investment strategies adopted. The risk remains that the securities which the fund manager selected will not perform as expected. This could cause the Fund's returns to lag behind similar funds' returns.  |
| <b>Returns Not Guaranteed</b>        | As a result of the risk elements described herein, the returns from the Fund are not guaranteed. The Fund's NAV may go down as well as up.  |
| <b>Loan Financing Risk</b>           | This risk occurs when investors take a loan/financing to finance their investment. The inherent risk of investing with financing includes investors being unable to service the loan repayments/financing payments. In the event units are used as collateral, an investor may be required to top-up the investors' existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower net asset value per unit as compared to the net asset value per unit at the point of purchase towards settling the loan/financing.<br><br>Islamic unit trust fund's investors are advised to seek for Islamic financing to finance their acquisition. |
| <b>Political Risk</b>                | The investments of the Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restriction on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in the relevant countries. The Manager shall implement a stringent screening process in respect of the country and region prior to investing to assess the impact of such risk to the performance of the investments.  |
| <b>Regulatory Risk</b>               | Any changes in national or economic policies or regulations may have an adverse effect on the capital markets and could consequently have an impact on the investments of the Fund. To mitigate the impact of regulatory risk, the Manager will seek to keep abreast of regulatory developments that may affect specific investments of the Fund while attempting to pre-empt any regulatory changes that may adversely impact the investments of the Fund.   |
| <b>Suspension of Repurchase Risk</b> | The repurchase of units of a Fund may be suspended under exceptional circumstances, where the fair value of a material portion of the Fund's assets cannot be reasonably determined. Upon suspension, the Fund will not be able to pay unit holders' repurchase proceeds in a timely manner and unit holders will be compelled to remain invested in the Fund for a longer period of time than the stipulated repurchase timeline. Hence, unit holders' investments will continue to be subjected to the risk factors inherent to the Fund. Please refer to Section 7.8 of the Master Prospectus for more information on suspension of dealing in Units.  |

#### Specific Risks related to the Fund

|  |   |
|--|---|
| <b>Credit and Default Risk</b>           | Credit risk relates to the creditworthiness of the issuers of the fixed income securities/sukuk and their expected ability to make timely payment of interest/profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the fixed income securities/sukuk. In the case of rated fixed income securities/sukuk, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a fixed income securities/sukuk either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the fixed income securities/sukuk. This could adversely affect the value of the Fund. The Fund Manager expects to be able to reduce credit risk substantially by conducting thorough credit analysis before investment, by investing mainly in issues with at least a P3 by RAM or equivalent rating by other rating agencies for short term papers and BBB by RAM or equivalent rating by other rating agencies for long term bonds/sukuk and by diversifying the portfolio.                                       |
| <b>Liquidity Risk</b>                    | Liquidity risk is defined as the ease with which a securities can be sold at or near its fair value depending on the volume traded on the market. Should a securities become illiquid, it may be sold at a discount to its fair value, thus lowering that value of the Fund's investments and subsequently the value of Unit Holders' investments. To mitigate liquidity risk, the Fund maintains sufficient level of liquid assets to meet anticipated payments and liquidation of units by Unit Holders.  |
| <b>Inflation / Purchasing Power Risk</b> | This is the risk that investors' investment in the unit trust fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce investors' purchasing power even though the value of the investment in monetary terms has increased.   |
| <b>Interest Rate Risk</b>                | This risk relates to unforeseen movements in the direction of interest rates. When interest rates rise, the price of fixed income/sukuk instruments generally declines and this will lower the market value of the Fund's investment in fixed income/sukuk instruments. The reverse applies when interest rates fall. Anticipating interest rate movements is a critical element in determining the portfolio maturity structure of the Fund. The manager's top-down investment approach ensures that a thorough evaluation of macro-economic variables is undertaken before an interest rate strategy is implemented. In addition, it is also intended to have a sufficiently diverse range of maturities of fixed income/sukuk instruments that the Fund invests in.<br><br>The above interest rate is a general indicator that will have an impact on the management of the Fund regardless whether it is an Islamic unit trust fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements. |

**Market Risk**

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which may affect the performance of the Fund. This is a class of risk that inherently exists in an economy and cannot be avoided by any business or company. Market risk cannot be removed from an investment portfolio by diversification. Investors should, therefore, note that the performance of the Fund might go up or down in accordance with market movement.

**Please be advised that if you invest in Units through an institutional unit trust scheme adviser which adopts the nominee system of ownership, you would not be considered to be a Unit Holder under the deed and consequently do not have all the rights ordinarily exercisable by a Unit Holder (for example, the right to call for a Unit Holder's meeting and to vote thereat and the right to have your particulars appearing in the register of Unit Holders of the Fund).**

## FEES AND CHARGES

### 7. What are the fees and charges involved?

The table below describes the fees and charges that you may DIRECTLY incur when you buy or redeem Units of the Fund.

|                          |  |
|--------------------------|--|
| <b>Sales Charge</b>      | 5.00% of the NAV per Unit  |
| <b>Repurchase Charge</b> | Nil  |
| <b>Transfer Fee</b>      | Nil  |
| <b>Switching Fee</b>     | Nil  |
| <b>Other Charges</b>     | There are no charges (except charges levied by banks on remittance of money) payable directly by investors when purchasing or redeeming Units of the Fund. |

The table below describes the fees that you may INDIRECTLY incur when you invest in Units of the Fund.

|                              |   |
|------------------------------|---|
| <b>Annual Management Fee</b> | 1.15% of the NAV of the Fund per annum. |
| <b>Annual Trustee Fee</b>    | 0.07% of the NAV of the Fund per annum. |

*All fees and charges payable to the Manager and the Trustee are subject to such tax as may be imposed by the government or other authorities from time to time.*

**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 INVESTMENTS

### 8. How often are valuations available?

Valuations are valued daily and you may refer to [www.kenangainvestors.com.my](http://www.kenangainvestors.com.my) for the Unit price.

### 9. How do I exit from this investment and what are the risks and costs involved

Unit Holders may redeem their investments in the Fund on any Business Day by completing the prescribed repurchase request form or such other manner as the Manager may accept and returning it to the Manager or through its appointed agents on any Business Day; the repurchase request form is available at the office of the Manager.

Units redeemed during dealing hours (i.e. from 8.30 a.m. to 4.00 p.m.) on any Business Day will be redeemed at the NAV per Unit calculated as at the next valuation point after the request is received (i.e. "forward pricing").

Any redemption request received after the dealing hours on any Business Day will be taken as a redemption request made on the next Business Day.

The minimum redemption amount is 2,000 Units for each transaction or such other lower amount as the Manager in its sole discretion allows.

However, if the redemption request leaves a Unit Holder with less than 5,000 Units (minimum holdings), the Manager reserves the right to liquidate the balance of the Units held in the Unit Holder's account.

Redemption proceeds will be paid within seven (7) Business Days from the date the Manager receives a duly completed repurchase request form.

#### **Cooling-Off Right**

A cooling-off right is only given to an individual investor who is investing for the first time in any unit trust funds managed by the Manager but shall not include the Manager's staff and a person registered with a body approved by the Securities Commission Malaysia ("SC") to deal in unit trusts funds.

The cooling-off period shall be within six (6) Business Days from the date the Manager receives the duly completed form. The investors shall be refunded within seven (7) Business Days (from the date of receipt of the cooling-off notice by the investors). Any application for cooling-off must be made before the cut-off time of 4:00 p.m. on any Business Day.

For investors who invest via the EPF Member Investment Scheme ("EPF MIS"), the cooling-off period shall be subject to EPF's terms and conditions, and any refund pursuant to the exercise of the cooling-off right will be credited back into your EPF accounts.

*Note. Please read and understand the Fund's prospectus and its supplemental prospectus (if any) before investing in the Fund.*

## FUND PERFORMANCE

### Average Total Returns

The basis of calculating the average total returns is by calculating the growth of the NAV of the Fund at the start point against the NAV of the Fund at the end point of the calculation period of 1 year, 3 years, 5 years and 10 years. We take into account and factor in all the distributions and unit splits into the NAV of the Fund for the purposes of the calculations.

|                  | 1 year<br>28/02/23 – 29/02/24<br>(%) Return | 3 years<br>28/02/21 – 29/02/24<br>(%) Return | 5 years<br>28/02/19 – 29/02/24<br>(%) Return | 10 years<br>28/02/14 – 29/02/24<br>(%) Return |
|------------------|---|--|--|---|
| <b>KABF</b>      | 5.63  | 2.85   | 4.09   | 4.60  |
| <b>Benchmark</b> | 3.03  | 2.40   | 2.46   | 2.85  |

Source: Lipper

### Annual Total Return

|                  | Financial Years/Period Ended 31 December/29 February |             |             |             |             |             |             |             |             |              |
|------------------|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
|                  | 2014<br>(%)  | 2015<br>(%) | 2016<br>(%) | 2017<br>(%) | 2018<br>(%) | 2019<br>(%) | 2020<br>(%) | 2021<br>(%) | 2022<br>(%) | 2024*<br>(%) |
| <b>KABF</b>      | 4.91   | 5.10        | 6.18        | 4.56        | 4.58        | 7.50        | 5.67        | -0.18       | 1.61        | 7.19         |
| <b>Benchmark</b> | 3.21   | 3.59        | 3.66        | 3.13        | 3.33        | 3.19        | 2.21        | 1.85        | 2.24        | 3.50         |

Source: Lipper

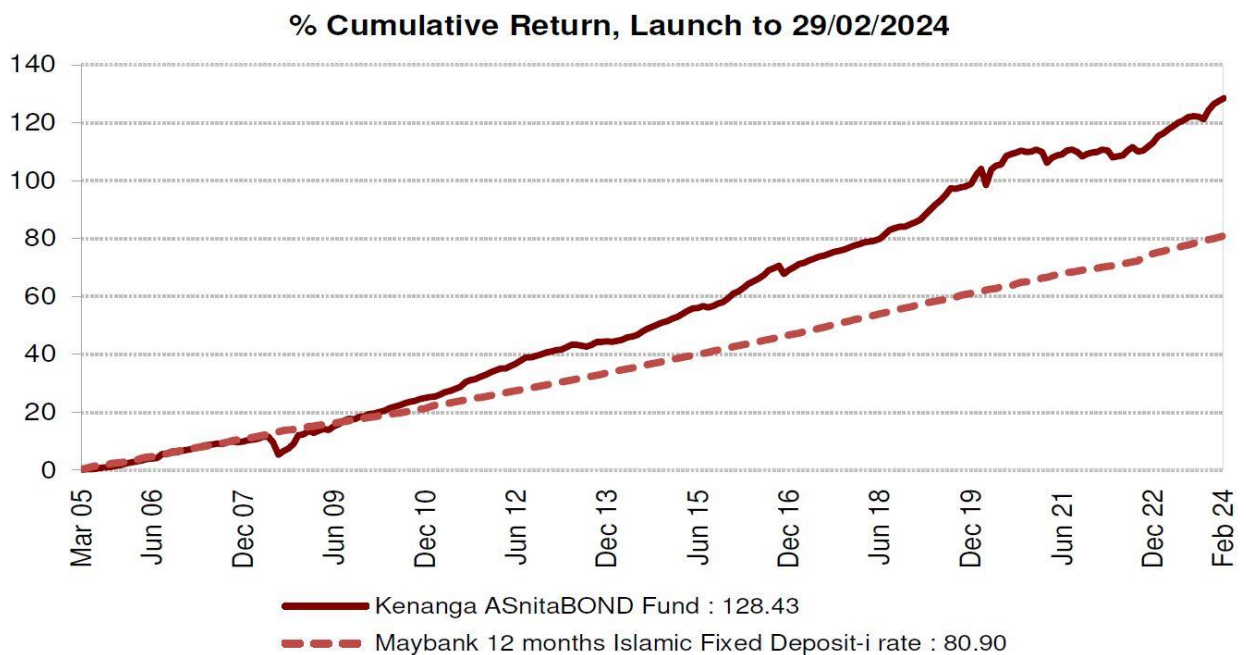
\*The financial year end of the Fund has changed from 31 December to 28 February with effect from 2 October 2023.

Note. The financial year end of a leap year will fall on 29 February.

### 1-Year Fund Performance Review

The Fund significantly outperformed its benchmark return for the financial period under review, mainly attributable to the strong rally in domestic sukuk market led by the peak in interest rates and anticipated global monetary policy easing.

### Performance Chart Since Inception



Source: Novagmi Analytics and Advisory

### Portfolio Turnover Ratio (PTR) and Total Expense Ratio (TER)

|                    | Financial Period/Years Ended 29 February /31 December |      |      |
|--------------------|---|------|------|
|                    | 2024*   | 2022 | 2021 |
| <b>PTR (times)</b> | 0.45  | 0.29 | 0.35 |
| <b>TER (%)</b>     | 1.08  | 1.09 | 1.09 |

\*The financial year end of the Fund has changed from 31 December to 28 February with effect from 2 October 2023.

Note. The financial year end of a leap year will fall on 29 February.

**Explanation of significant change in the PTR**

PTR is higher against previous financial year due to increased trading activities during the financial period under review.

**Explanation of significant change in the TER**

TER for the financial period under review is of insignificant change as compared against the previous financial year.

**Distribution**

Distributions were made in the form of cash for periods disclosed below:

| Year Ended 29 February 2024                   | Year Ended 31 December 2022                   | Year Ended 31 December 2021              |
|---|---|--|
| No distributions were made during the period. | No distributions were made during the period. | Gross distribution per Unit (sen) – 3.20 |
|   |   | Net distribution per Unit (sen) – 3.20   |

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

**CONTACT INFORMATION****Who do I contact for further information or to lodge a complaint?****1. For internal dispute resolution, you may contact:**

Kenanga Investors Berhad  
Registration no: 199501024358 (353563-P)  
Level 13, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur

- |     |                               |   |  |
|-----|-------------------------------|---|--|
| (a) | General Line No               | : | 03-2172 3123   |
| (b) | Facsimile No                  | : | 03-2172 3133   |
| (c) | Customer Service Toll Free No | : | 1-800 88 3737  |
| (d) | Website                       | : | <a href="http://www.kenangainvestors.com.my">www.kenangainvestors.com.my</a>         |
| (e) | Email                         | : | <a href="mailto:investorservices@kenanga.com.my">investorservices@kenanga.com.my</a> |

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

- |     |               |   |  |
|-----|---------------|---|--|
| (a) | via phone to  | : | 03-2282 2280   |
| (b) | via fax to    | : | 03-2282 3855   |
| (c) | via email to  | : | <a href="mailto:info@sidrec.com.my">info@sidrec.com.my</a>   |
| (d) | via letter to | : | Securities Industry Dispute Resolution Center (SIDREC)<br>Unit A-9-1, Level 9, Tower A<br>Menara UOA Bangsar<br>No. 5, Jalan Bangsar Utama 1<br>59000 Kuala Lumpur |

**3. You can 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                           | : | <a href="mailto:aduan@seccom.com.my">aduan@seccom.com.my</a>   |
| (d) | via online complaint form available at | : | <a href="http://www.sc.com.my">www.sc.com.my</a>   |
| (e) | via letter to                          | : | Consumer & Investor Office<br>Securities Commission Malaysia<br>No.3, Persiaran Bukit Kiara<br>Bukit Kiara<br>50490 Kuala Lumpur |

**4. Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:**

- |     |  |   |  |
|-----|--|---|--|
| (a) | via phone to                           | : | 03-7890 4242   |
| (b) | via email to                           | : | <a href="mailto:complaints@fimm.com.my">complaints@fimm.com.my</a>   |
| (c) | via online complaint form available at | : | <a href="http://www.fimm.com.my">www.fimm.com.my</a>   |
| (d) | via letter to                          | : | Legal & Regulatory Affairs<br>Federation of Investment Managers Malaysia<br>19-06-1, 6 <sup>th</sup> Floor Wisma Tune<br>No.19, Lorong Dungun<br>Damansara Heights<br>50490 Kuala Lumpur |

## APPENDIX : GLOSSARY

|                                       |   |
|---------------------------------------|---|
| <b>Business Day</b>                   | Means a day on which the stock exchange managed or operated by Bursa Malaysia Securities Berhad is open for trading.  |
| <b>Total Expense Ratio (TER)</b>      | $\frac{\text{Total annual expenses incurred by the Fund}}{\text{Average NAV of the Fund calculated on daily basis}} \times 100$ <p>This ratio will inform you of the total expenses incurred by the Fund during the year as compared to its average NAV. Total expenses include management fee, trustee fee and expenses incurred for fund administrative services. A low TER indicates the effectiveness of the Manager in managing the expenses of the Fund.</p>  |
| <b>Net Asset Value (NAV)</b>          | Means the total value of the Fund's assets minus its liabilities at the valuation point. In computing the annual management fee and annual trustee fee, the NAV of the Fund should include the management fee and the trustee fee for the relevant day.   |
| <b>NAV per Unit</b>                   | Means the NAV of the Fund divided by its total number of units in circulation.  |
| <b>Portfolio Turnover Ratio (PTR)</b> | <p>Refers to the measure of trading activity or how frequently assets within a fund are bought and sold by the Manager. A fund with a 0.5 times portfolio turnover ratio, for example, replaces half of its holdings during the period under review. A fund with a high portfolio turnover rate will typically incur more transaction costs than one with a low portfolio turnover rate.</p> <p>The computation of PTR is as follows :</p> $\text{PTR} = \frac{(\text{Total acquisitions of the Fund} + \text{Total disposals of the Fund}) / 2}{\text{Average NAV of the Fund calculated on a daily basis}}$ |
| <b>RAM</b>                            | RAM Rating Services Berhad.   |
| <b>Unit(s)</b>                        | Means a unit of a Fund and includes a fraction of a unit.   |
| <b>Unit Holder(s)/ Investor(s)</b>    | Means the person for the time being registered under the provisions of the deed as the holder of units and includes the Manager and joint-holder.   |