

MIDF SMALL CAP FUND **(formerly known as MIDF Amanah Strategic 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 Small Cap Fund (“MSCF / the Fund”) and a copy of this PHS has been lodged with the Securities Commission Malaysia (“SC”).

The authorisation of the MSCF and lodgement of this PHS, should not be taken to indicate that the SC recommends the MSCF 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 MSCF 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 SMALL CAP FUND

BRIEF INFORMATION ON THE PRODUCT

MIDF Small Cap Fund ("MSCF / the Fund") is a Shariah-compliant 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	Shariah-compliant Equity / Smallcap
Fund Inception	1 June 1970
Investment Strategy	<p>The investment strategy is to seek long term* capital appreciation by investing in shares of small capitalised Shariah-compliant companies** listed on Bursa Malaysia.</p> <p>The overall investment strategy for the Fund focuses on implementing appropriate asset allocation and Shariah-compliant 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 Shariah-compliant securities selection strategies for the Fund at any point of time. The Manager adopts a "Top Down" approach to asset allocation and a "Bottom Up" approach to securities selection.</p> <p>Asset allocation decisions are derived at after assessing the international and local economic and political environment as well as 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> <p><i>Note: * long term refers to a period of 5 years and above. ** small capitalised, high growth Shariah-compliant companies are domestic listed companies with a market capitalisation threshold of not more than RM2 billion at the point of investing that exhibit earnings growth potential that are expected to exceed the gross domestic product growth of Malaysia.</i></p>
Asset Allocation	<p>Shariah-compliant equities: 70% - 98%</p> <p>Islamic liquid assets: 2% - 30%</p>
Benchmark	<p>Absolute targeted return of 10% per annum. <i>Please refer to our website for information on the Fund's performance.</i></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 FBMSCSM to absolute targeted return of 10% 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 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 of the Fund.
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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	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 year ended 15 January 2024, the NAV per unit of MSCF has declined by 1.26%, underperforming the FBMSCSM as the benchmark registered a return of 13.79%. The key objective of MSCF is to achieve long-term capital growth through investment in smaller, high growth companies. For the period under review, the Fund has maintained its NAV above the initial price of RM1.00 per unit even though did not meet its objective in achieving capital growth. Effective 1 June 2018, FBMSCSM has been identified as the benchmark for MSCF as it is the closest comparable index subsequent to its conversion from a conventional fund to an Islamic unit trust fund. Effective from 4 October 2024, the benchmark has been changed from FBMSCSM to absolute targeted return of 10% per annum to align the investment strategy of the Fund with the Manager's investment philosophy.

AVERAGE TOTAL RETURN

	The Fund	Benchmark
One Year	-1.26%	12.53%
Three Years	-0.72%	2.53%
Five Years	2.74%	9.85%
10 Years	-10.49%	0.48%

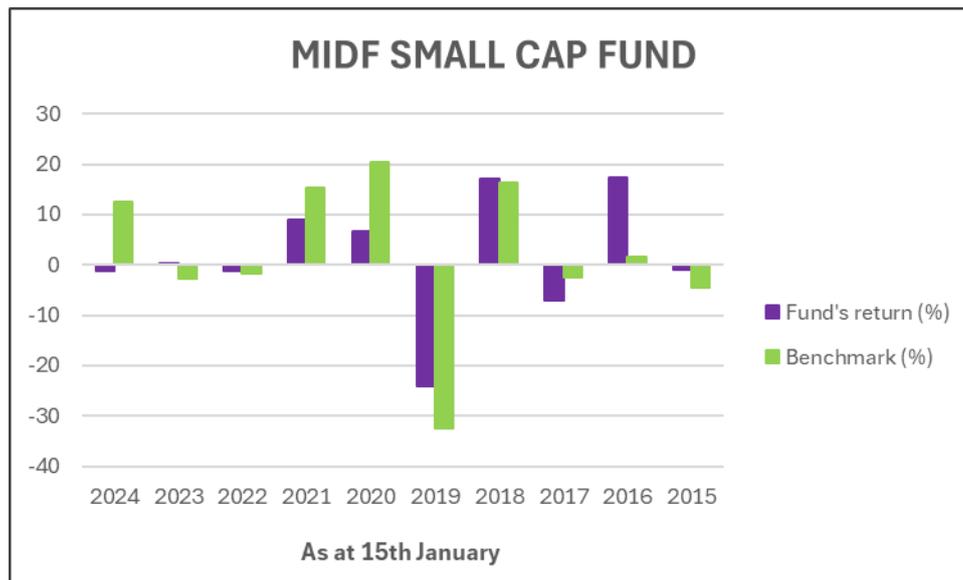
Average total return is derived using the following formula:

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

ANNUAL TOTAL RETURN

MIDF SMALL CAP FUND										
As At 15 th January	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Fund's Return (%)	-1.26	0.21	-1.13	8.89	6.73	-24.10	17.08	-6.97	17.34	-1.02
Benchmark (%)	12.53	-2.82	-1.61	15.32	20.29	-32.38	16.21	-2.55	1.69	-4.48

Source: Bloomberg



Financial Year As at 15 th January	2024	2023	2022
Asset Allocation:			
- Equities	81.3%	86.2%	87.5%
- Money Market Instruments and Others	18.7%	13.8%	12.5%
Portfolio Turnover Ratio("PTR") (times)*	1.38	0.71	0.81
Total Expenses Ratio("TER")(%)#	1.80	1.77	1.76
Income Distribution – Gross per Unit (sen)	Nil	Nil	Nil
Income Distribution – Net per Unit (sen)	Nil	Nil	Nil

* The PTR for 2024 was higher at 1.38 times, as compared to 0.71 times in 2023 due to higher trading activity because of portfolio rebalancing.

The TER for 2024 was at 1.80%, slightly higher compared to 2023's of 1.77%.

FUND HIGHLIGHTS

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

	2024	2023	2022
	RM	RM	RM
Total Investment Income/(Loss)	223,447	329,139	209,872
Total Expenses	(398,643)	(340,110)	(380,319)
Net Income/(Loss) Before Taxation	(175,196)	(10,971)	(170,447)
Net Income/(Loss) After Taxation	(175,196)	(10,971)	(170,447)

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

	2024	2023	2022
	RM	RM	RM
Total Assets	14,305,630	14,694,178	15,541,578

Total Liabilities	461,740	53,360	107,960
Net Asset Value/Total Equity	13,843,890	14,640,818	15,433,618

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

- 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
FBMSCSM	: FTSE Bursa Malaysia Small Cap Shariah Index
MSCF / the Fund	: MIDF Small Cap 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.