

Manulife Investment Al-Faid

Responsibility Statement

This Product Highlights Sheet has been reviewed and approved by the directors and/or persons approved by the Board of Manulife Investment Management (M) Berhad and they 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 Product Highlights Sheet false or misleading.

Statement of Disclaimer

The Securities Commission Malaysia has authorised the issuance of *Manulife Investment Al-Faid* (“the Fund”) and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Fund and lodgment of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the 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 the Manulife Investment Management (M) Berhad, the Manager responsible for the 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.

Please note that this Fund is not offered for sale to any U.S. (“United States of America”) person. If you are a non-Malaysian, your subscription may be restricted by your local law or regulation. Please observe and comply with such local restrictions, if any. If in doubt, please consult a professional adviser.

Manulife Investment Al-Faid has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

This product highlights sheet only highlights the key features and risks of this Fund. Investors are advised to request, read and understand the prospectus of the Fund before deciding to invest.

Brief Information on the Product

1. What is the Fund about?

The Fund is an Islamic equity fund that seeks to provide unit holders with medium- to long-term capital growth through investments in a diversified portfolio of equities which are Shariah-compliant.

Note: Any material change to the Fund’s investment objective would require unit holders’ approval.

Product Suitability

2. Who is the Fund suitable for?

The Fund is suitable for investors who:

- seek investments that comply with Shariah requirements;
- are willing to accept a high level of risk; and
- have a medium- to long-term investment horizon of between 3 to 5 years.

Key Product Features

3. What am I investing in?

Fund Category	Equity (Islamic)
Investment Strategy and Policy	<p>The Fund invests mainly in a diversified portfolio of Shariah-compliant equities listed in Bursa Malaysia. Islamic liquid assets such as Islamic money market instruments and Islamic deposits are only used to maintain liquidity position and also as a short term alternative should the equity market become extremely volatile. The Fund may invest in investments directly or via Islamic collective investment schemes.</p> <p>The Manager adopts a bottom-up approach in identifying companies with growth and earnings prospects. The Fund may also invest in companies that have the potential of becoming blue chip Shariah-compliant securities (established companies with earnings track record of at least 5 years) in future. The primary focus is on the underlying growth fundamental of the company although other factors such as macroeconomic variables, liquidity conditions and political risk factors are also considered important.</p> <p>The Manager emphasises strongly on internal research. Frequent company visits are made in order to obtain local knowledge and corporate information. Besides using traditional valuation yardsticks such as price earnings (P/E) ratio, price to book (P/BV) ratio and price/earnings to growth (PEG) ratio, the Manager focuses on the company’s capital structure, intrinsic value, cash flow, replacement costs, revised net asset value (RNAV), management and potential growth trend.</p>

	Under adverse market conditions (due to economic, political or any other negative conditions for investments), the Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to such conditions. Under such situations, a large proportion of the Fund may be temporarily invested in Islamic liquid assets such as Islamic money market instruments and Islamic deposits.	
Asset Allocation	<u>Asset Class</u>	<u>Allocation (% of the Fund's net asset value ("NAV"))</u>
	Shariah-compliant equities	70% to 98%
	Islamic liquid assets	Minimum 2%
Performance Benchmark	FTSE Bursa Malaysia EMAS Shariah Index	
Base Currency	Ringgit Malaysia (RM)	
Launch Date	30 June 2003	
Financial Year End	31 July	
Distribution Policy	Income distribution (if any) is incidental.	

4. Who am I investing with?

Manager	Manulife Investment Management (M) Berhad
Trustee	HSBC (Malaysia) Trustee Berhad
Shariah Adviser	ZICO Shariah Advisory Sdn Bhd

Key Risks

5. What are the key risks associated with this Fund?

Manager's Risk

This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the Fund.

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 will result in a decline in the Fund's NAV.

Liquidity Risk

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund and investments of the unit holders will be negatively affected when it has to sell such assets at unfavourable prices.

Loan or Financing Risk

This risk occurs when investors take a loan/ financing to finance their investment. The inherent risk of investing with borrowed/ financed money 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 NAV per unit as compared to the NAV per unit at the point of purchase, towards settling the loan/ financing.

Please note that loan/ financing is discouraged.

Suspension/Deferment of Redemption Risk

The Manager may, in consultation with the Trustee and having considered the interests of investors, suspend the dealings in units of the Fund due to exceptional circumstances such as when the market value or fair value of a material portion of the Fund's assets cannot be determined. No application will be dealt with when suspension of dealing in units are triggered and this will limit the unit holder's right to freely redeem their units in the Fund.

For the purpose of liquidity risk management, the Fund may defer redemption to the next business day if the total net redemption received is more than 10% of the NAV of the Fund on a particular business day. When such redemption limit is triggered, it may jeopardise the Fund's ability to meet unit holders' redemption request and may lead to a delay in repayment of redemption proceeds to investors.

Stock Specific Risk

Prices of a particular Shariah-compliant stock may fluctuate 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. Any adverse price movements of such Shariah-compliant stock will adversely affect the Fund's NAV.

Reclassification of Shariah Status Risk

This is the risk that the currently held Shariah-compliant securities in the portfolio of the Fund may be reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of Securities Commission Malaysia, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose of such securities. 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. The value of the Fund may also be adversely affected in the event of a disposal of Shariah non-compliant securities at a price lower than the investment cost.

Risk Associated with Investing in Islamic Collective Investment Scheme ("CIS")

The management company of the Islamic CIS, which the Fund may invest into, has absolute discretion over the Islamic CIS's investment technique, operational controls and management. In the event of mismanagement of the Islamic CIS and/or the management company of the Islamic CIS, the Fund's NAV would be affected negatively. Should such a situation arise, the Manager will seek for another Islamic CIS.

Fees and Charges

6. What are the fees and charges involved?

Charges when buying units of the Fund

Sales Charge	Distributors	Maximum Sales Charge*
	Unit Trust Consultant	Up to 6.50% of NAV per unit of the Fund
	Manager	
	Institutional Unit Trust Adviser ("IUTA")	Up to 5.50% of NAV per unit of the Fund
	Employees Provident Fund ("EPF") Sales	Up to 3.00% of NAV per unit of the Fund
	EPF via i-Akaun (Member)	Up to 0.50% of NAV per unit of the Fund
	*The sales charge is non-negotiable. However, the Manager may at its discretion charge a lower sales charge from time to time.	
	Note: The list of funds qualified under the Employees Provident Fund – Members Investment Scheme ("EPF-MIS") is available on our website at www.manulifeim.com.my or the EPF's website at www.kwsp.gov.my and will be updated as and when EPF revises the list.	
Redemption Charge	Nil	
Switching Fee	Subject to the conditions on switching as set out in the prospectus of the Fund.	
Transfer Fee	RM3.00 per transfer	

Fees incurred when investing in the Fund

Management fee	Up to 1.50% per annum of NAV of the Fund
Trustee fee	Up to 0.06% per annum of NAV of the Fund

All fees and charges (e.g. sales charge, switching fee, transfer fee, management fee, trustee fee and any other relevant fees and/or charges), where applicable, may be subject to any tax that may be introduced by the government of Malaysia from time to time.

Minimum initial investment	
Walk-in/ Hardcopy application	RM2,000
Online application	RM200
Minimum additional investment	
Walk-in/ Hardcopy application	RM1,000
Online application	RM100
Cut-off time	<ul style="list-style-type: none">▪ 3.00 p.m. for walk-in transactions or any other time that may be determined by the Manager, and▪ 4.00 p.m. for online transactions*.

*Online transactions include purchase of units and switching between fund/ class denominated in RM only. Online transactions are not applicable for redemption of units currently. You may refer to our online tool for latest updates.

YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.

Valuation and Exiting from Investment

7. How often are valuations available?

The valuation of the Fund is carried out daily at the end of the business day. Funds with exposure to foreign investments shall be valued at or before 5.00 p.m. on the next business day (or T+1) because of the time difference between Malaysia and the country(ies) where the funds invest in. The NAV per unit of the Fund will be published upon valuation conducted. However, delay may occur in updating the NAV per unit of the Fund. The latest prices will be available on the Manager's website at www.manulifeim.com.my or FiMM's website. Alternatively, unit holders may contact the Manager's Customer Service Hotline.

8. How can I exit from this investment and what are the risks and costs involved?

Redeeming an investment

Unit holders may redeem part or all of their investments at any time by completing a “Redemption Form” which is available from 8.45 a.m. to 5.30 p.m. at the office of the Manager and its branches. There is no redemption charge levied on the redemption of units. Redemption proceeds will be paid within seven (7) Business Days from the date on which the redemption request is received by the Manager at or before the cut-off time.

Unit holders should note that redemption limit or suspension of dealing in units of the Fund may be imposed as part of liquidity risk management. These circumstances may lead to delay in payment of redemption proceeds to you. For more information, please refer to the Transaction Information section of the Fund’s prospectus.

Minimum redemption amount	500 units
Minimum holding/ balance	1,000 units
Cut-off time	<ul style="list-style-type: none">3.00 p.m. for walk-in transactions or any other time that may be determined by the Manager, and4.00 p.m. for online switching.

Cooling-off period

The cooling-off period is only applicable to any individual investing for the first time in any unit trust funds managed by the Manager and excludes staff of the Manager and persons registered with a body approved by the SC to deal in unit trusts. You have the right, within six (6) business days from the day of the receipt by the Manager of your application form, to call for a withdrawal of your investment. The money invested will be refunded to you subject to the conditions as set out in the prospectus of the Fund. In the case of an investment via EPF-MIS, the cooling-off period is subject to EPF’s terms and conditions (if applicable).

Withdrawal proceeds will only be paid to you once the Manager has received the cleared payments for the original investment.

Fund Performance

9. Average Total Return for Financial Year Ended 31 July 2024

Basis of calculation

Average Total Return = Annualised Total Return
= $[(1 + \text{Total return for the period})^{(\text{Actual no. of days in a year} \div \text{No. of days during the period})} - 1] \times 100\%$

Returns in RM (%)	1-Year	3-Year	5-Year	10-Year
Manulife Investment Al-Faid	26.79	8.57	8.56	4.64
Benchmark	16.52	1.94	1.23	(0.47)

10. Annual Total Return for Financial Year Ended 31 July

Basis of calculation

Annual Total Return = $\frac{(\text{NAV}_t - \text{NAV}_{t-1})}{\text{NAV}_{t-1}}$ NAV_t denotes NAV at the end of the period.
NAV_{t-1} denotes NAV at the beginning of the period.

Returns in RM (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Manulife Investment Al-Faid	(1.74)	2.68	8.53	(2.80)	(1.94)	12.11	5.08	(7.14)	8.71	26.79
Benchmark	(7.55)	(1.41)	4.25	0.73	(6.31)	11.97	(10.35)	(10.91)	2.03	16.52

For the financial year ended 31 July 2024, the Fund’s return increased by 26.79%, compared with its benchmark return which increased by 16.52%.

Note: The benchmark was changed to FTSE Bursa Malaysia EMAS Shariah Index effective 1 August 2007 following the cessation of the KLSE Shariah Index.

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

11. Portfolio Turnover Ratio and Income Distribution per unit

Financial Year End (FYE)	2022	2023	2024
Portfolio Turnover Ratio (“PTR”)	0.70	0.52	0.49
The PTR for FYE2024 is 0.49 times and was lower than FYE2023 mainly due to increase in average NAV.			
Gross distribution per unit (sen)	4.00	1.00	2.52
Net distribution per unit (sen)	4.00	1.00	2.52
Distribution was reinvested into additional units in the Fund at the NAV per unit on the distribution date.			

Contact Information

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

- i) For internal dispute resolution, you may contact us:

Manulife Investment Management (M) Berhad

13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur.

Customer Service Hotline : 03-2719 9271
General Line : 03-2719 9228
Email : MY_CustomerService@manulife.com
Website : www.manulifeim.com.my

- ii) 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):

Securities Industry Dispute Resolution Center (SIDREC)

Level 25, Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur.

Phone : 03-2276 6969
Email : info@sidrec.com.my

- iii) Even if you have initiated a dispute resolution process with SIDREC, you may also direct your complaint to the SC. To make a complaint, please contact the SC's Consumer & Investor Office:

Consumer & Investor Office

Securities Commission Malaysia

No. 3, Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur.

Phone : 03-6204 8999 (Aduan Hotline)
Fax : 03-6204 8991
Email : aduan@seccom.com.my
Online complaint form available at www.sc.com.my

- iv) Federation of Investment Managers Malaysia (FiMM)'s Complaints Bureau:

Legal, Secretariat & Regulatory Affairs

Federation of Investment Managers Malaysia

19-06-1, 6th Floor, Wisma Tune
No. 19, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur.

Phone : 03-7890 4242 (Press 3)
Fax : 03-2093 2700
Email : complaints@fimm.com.my
Online complaint form available at www.fimm.com.my