

PRODUCT HIGHLIGHTS SHEET

PMB Shariah Small-Cap Fund

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors or authorized committee or persons approved by the Board of Directors of PMB Investment 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, 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 authorized the issuance of PMB Shariah Small-Cap Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorization of PMB Shariah Small-Cap Fund and lodgment of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends PMB Shariah Small-Cap 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 PMB Investment Berhad responsible for PMB Shariah Small-Cap 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.

This document is dated 21 October 2019.

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.

PMB SHARIAH SMALL-CAP FUND

Product Type	Unit Trust	Date Relaunch	16 th May 2016
Issuer/Manager	PMB Investment Berhad	Trustee	CIMB Islamic Trustee Berhad
Shariah-compliant	Yes	Shariah Adviser	BIMB Securities Sdn Bhd
Financial Year End	31 st July	Dealing Frequency	Every Business Day
Capital Protected / Guaranteed	No	Distribution Policy	Incidental

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The Fund is suitable for investors who:

- have a high risk tolerance level;
- have a medium to long term investment horizon;
- prefer a portfolio that conforms to Shariah principles; and
- seek for capital appreciation from an aggressive Shariah-compliant fund.

Investors should consult their financial advisers if in doubt whether this product is suitable for them.

Investor is required to undergo a suitability assessment process in order to determine the range of products that suit their risk profile and needs.

KEY PRODUCT FEATURES

WHAT UNIT TRUST FUND ARE YOU INVESTING IN?

- You are investing in a unit trust fund constituted in Malaysia that aims to provide investors to achieve capital growth over the medium to long term period by investing primarily in small-sized Shariah compliant companies listed on the Bursa Malaysia, in term of market capitalization.
- The distribution of income (if any) is incidental and if any, will be made in the form of cash or additional units.

Please refer to [Chapter 3](#) of the Master Prospectus for further information on product features.

Investment Strategy

- The Fund shall invest between 50% and 99.5% in a diversified portfolio of Shariah-compliant securities of small-sized Shariah-compliant listed companies on Bursa Malaysia with market capitalization of at least RM250 million but not more than RM1 billion (at the points of acquisition).
- However, the Fund may invest up to 20% of its NAV in Shariah-compliant securities of companies with market capitalization in excess of RM1 billion but not more than RM7 billion (at the point of acquisition).
- The Fund will focus its investment on Shariah-compliant companies with growth prospects in medium to long term horizon, reasonably good earnings, quality management and good corporate governance, as analyzed by the Manager. In view of the Fund's objective, the designated fund manager will adopt an active investment management approach and frequency of trading of securities will very much depend on the market conditions.

Please refer to [Chapter 3](#) of the Master Prospectus for further information on Fund's investment strategy.

Shariah Principles Applicable

- Investor appoints PMB Investment Berhad to manage and invest the Fund under the Islamic contract of 'Wakalah' or Agency.
- PMB Investment Berhad is appointed to undertake the investment activities on behalf of the investors for 'Ujrah' or fee.

Parties Involved

- The Manager of the Fund : PMB Investment Berhad
- The Trustee of the Fund : CIMB Islamic Trustee Berhad
- The Shariah Adviser of the Fund : BIMB Securities Sdn Bhd

Please refer to [Chapter 6](#) & [7](#) of the Master Prospectus for details on the Manager, Trustee and Shariah Adviser.

Possible Outcomes

As the Fund will invest primarily in the Shariah-compliant equity market, its NAV and hence your investment capital will be subject to the market fluctuation. *Assuming as a result of the market movement, the Fund and your investment may possibly end with the following outcomes:

Movement of the Fund's NAV	Outcome of your investment capital
Increase by 10%	Increase by 10%
Decrease by 10%	Decrease by 10%

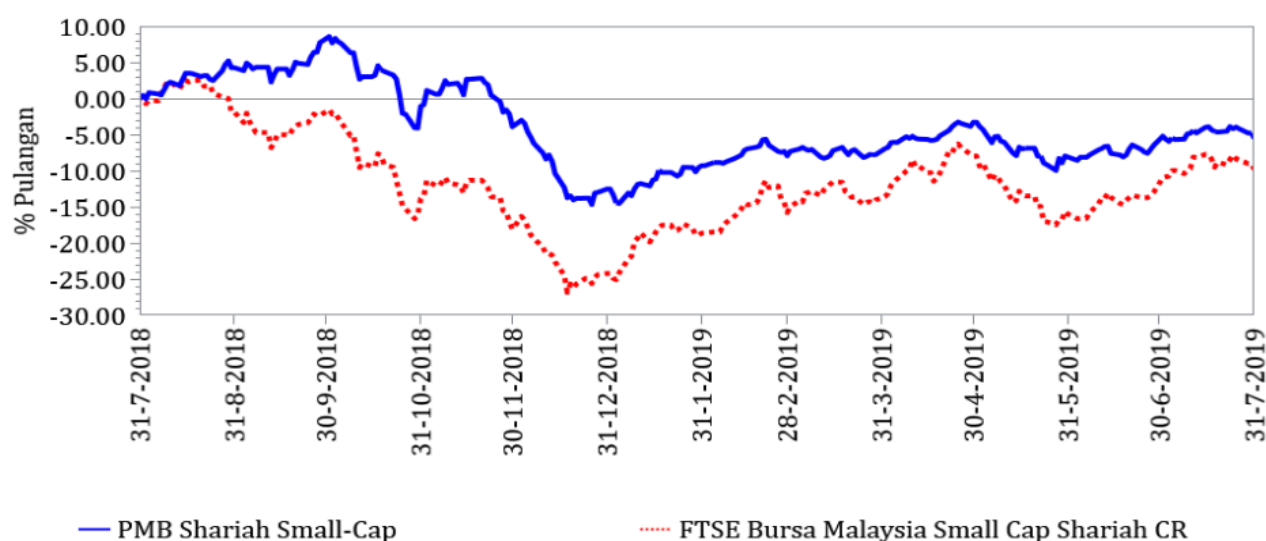
**Other things remain unchanged.*

Fund Performance

Basis of Fund Performance Computation

The calculation for Average Total Return and Annual Total Return of the Fund is based on computation methods of Lipper and sourced from Lipper for Investment Management (Lipper IM). The basis of computation is on NAV-to-NAV, income re-invested, over a specified period. Lipper IM is an application that provides comprehensive fund information and performance, fund ratings, analytic tools and charting. Information about Lipper IM can be obtained from www.lipperweb.com.

1-Year Fund Performance

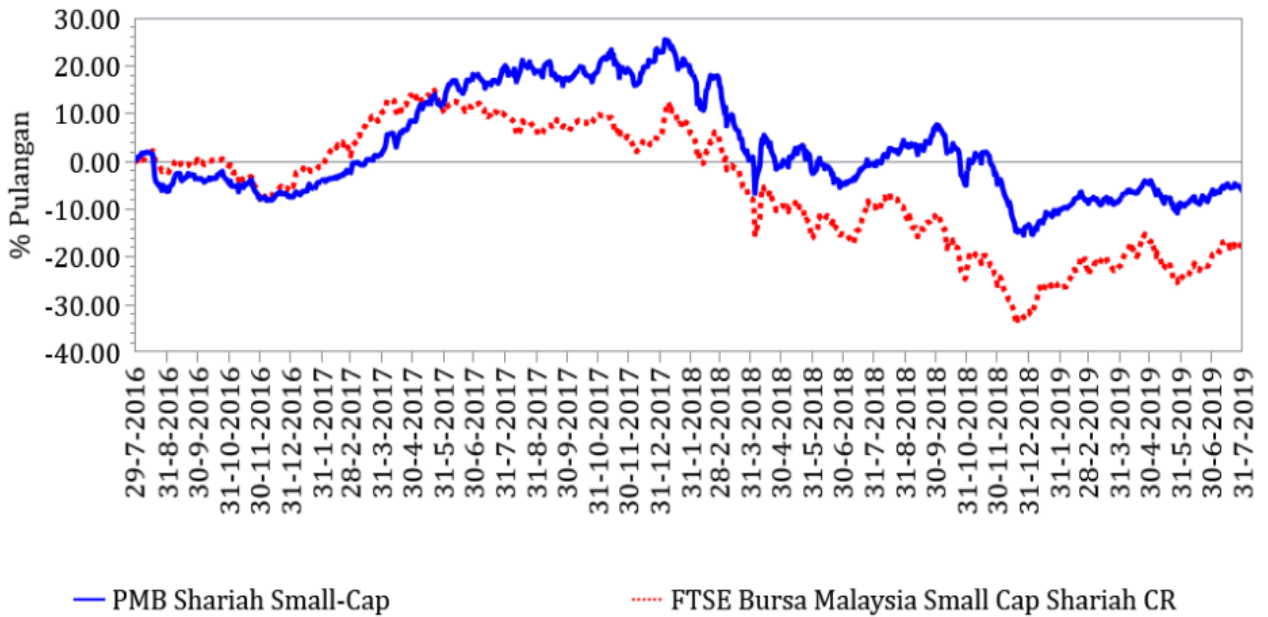


1-Year Fund Performance Review

Source: Lipper

For the 1-year period ended 31 July 2019, the Fund outperformed its benchmark with its total return amounting to -5.55% against the return of -9.72% on the FTSE Bursa Malaysia Small Cap Shariah Index (SCSI).

3-Year Fund Performance

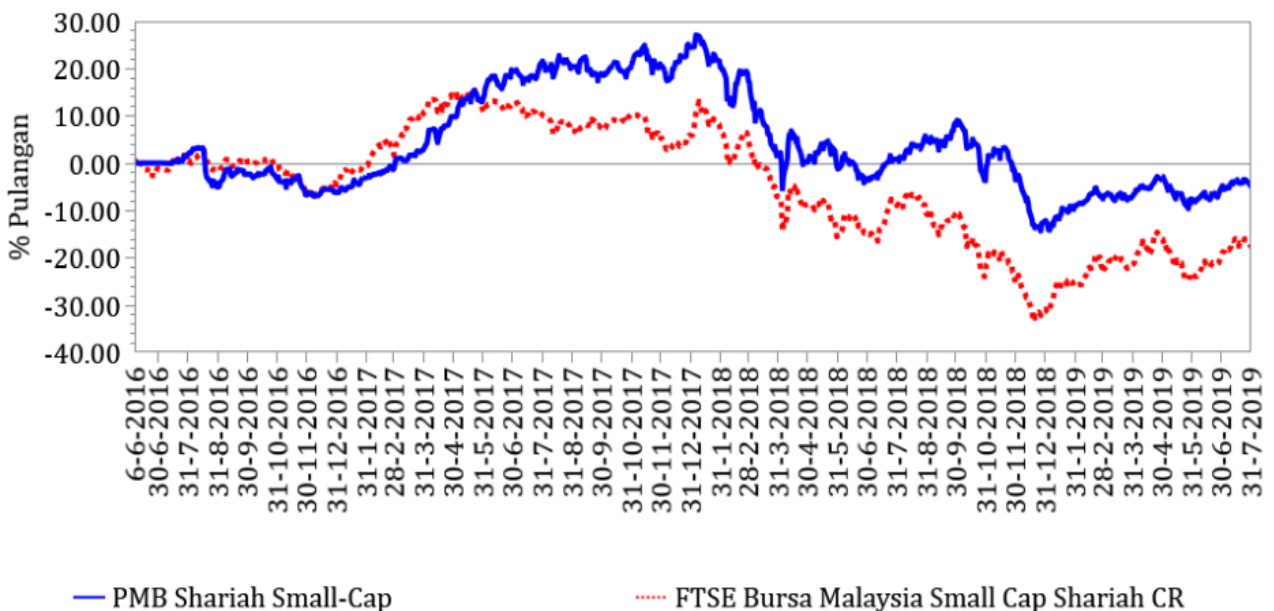


Source: Lipper

3-Year Fund Performance Review

For the 3-year period ended 31 July 2019, the Fund outperformed its benchmark with its total return amounting to -6.36% against the return of -18.30% on the SCSi.

Fund Performance Since Inception



Source: Lipper

Fund Performance Review Since Inception

Since inception on 6 June 2016 until the ended 31 July 2019, the Fund outperformed its benchmark with total return amounting to -5.10% against the return of -17.83% on the SCSi.

Average Total Return

Fund / Benchmark	For the Year Ended 31 July		
	1-Year	3-Year	Since inception (6/6/2016- 31/7/2019)
PMB Shariah Small-Cap Fund	(5.55%)	(2.16%)	(1.65%)
FBM Small Cap Shariah Index	(9.72%)	(6.52%)	(6.04%)

Source: Lipper

Annual Total Return

Annual Total Return for the Past Financial Year-Ending 31 July

Year	PMB Shariah Small-Cap Fund	Benchmark
2019	(5.55%)	(9.72%)
2018	(17.37%)	(17.47%)
2017	9.64%	19.99%

Distribution Highlight

Financial Year End	31 July		
	2019	2018	2017
Gross Distribution Per Unit - Cash (sen)	-	-	-
Net Distribution Per Unit - Cash (sen)	-	-	-

Portfolio Turnover Ratio (PTR)

2019	2018	2017
0.62 times	1.44 times	2.82 times

The PTR was lower than the previous year as a result of a decrease in trading activities undertaken by the Fund during the financial year.

Asset Allocation

Year	2019	2018	2017
Shariah-compliant equities	88.06%	95.22%	84.43%
Islamic deposit placement & Others	11.94%	4.78%	15.57%

The Fund's exposure in equities was marginally reduced to 88.06% in 2019.

Historical Financial Highlights

Extract of Statement of Comprehensive Income for the Financial Year Ending 31 July

Financial Year End 31 July		2019	2018	2017
Total Investment Income	(RM)	(984,365)	(4,292,454)	1,768,445
Total Expenses	(RM)	(494,718)	(629,904)	(174,795)
Loss before taxation	(RM)	(1,479,083)	(4,922,358)	1,593,650
Taxation	(RM)	-	-	-
Loss after taxation	(RM)	(1,479,083)	(4,922,358)	1,593,650

Extract of Statement of financial Position as at 31 July

Financial Year End 31 July		2019	2018	2017
Total Investment	(RM)	25,687,829	25,855,256	24,871,499
Other Assets	(RM)	180,043	2,492,679	1,448,461
Total Assets	(RM)	25,867,872	28,347,935	26,319,960
Total Liabilities	(RM)	39,070	(1,491,230)	(2,139,871)
Total Equity	(RM)	25,828,802	26,856,705	24,180,089

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

Total Annual Expenses

The table below shows the total annual expenses incurred by the Fund in its respective preceding financial year-end. The percentage was calculated based on the Average NAV.

Fund	Management Fee		Trustee Fee		Fund Expenses		Total Expenses (MER)	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
PMB Shariah Small-Cap Fund	388	1.50	13	0.05	8	0.03	409	1.58

Management Expenses Ratio (MER)

The MER of the Fund for the respective latest financial year are as follows:

Fund/Financial Year End	2019	2018	2017
PMB Shariah Small-Cap Fund	1.58	1.70%	2.10%

KEY RISKS

You should be aware that –

- The value of your investment, and the distribution payable, may go down as well as up.
- The return of the Fund is not guaranteed.

Equity Market Risk

The performance of the Fund is subject to the volatility of the stock market which is influenced by the changes in the economic and political climate, interest rate, international stock market performance and regulatory policies. The movement of the value in the underlying investment portfolio will affect the NAV of the Fund. Any downward movement of the value will negatively impact the NAV of the Fund.

Stock Specific Risk

Prices of a particular 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 stock will adversely affect the Fund's NAV.

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 warrants, 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.

Shariah Status Reclassification Risk

This risk refers to the risk that the currently held Shariah-compliant equities in the portfolio of Islamic funds may be reclassified as Shariah non-compliant in the periodic review of the securities by the SAC of the SC, the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose of such securities.

Opportunity loss could occur due to the restriction on the Fund to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant equities securities. In such an event, the Fund is required:

- (a) to dispose of the securities within one (1) calendar month if the value of the securities is equal to or exceeds the investment cost on the effective date of Reclassification of the List of Shariah-compliant securities ("Reclassification") by the SAC of the SC, the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. The Fund is allowed to keep dividends received and capital gains from the disposal of the securities up to the effective date of Reclassification. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Reclassification should be channeled to *baitulmal* and/or approved charitable bodies;
- (b) to hold the securities if the value of the said securities is below the investment cost on the effective date of Reclassification, until the total subsequent dividends received (if any) and the market price or value of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month; or
- (c) to dispose of the securities at a price lower than the investment cost which will result in the decrease in the Fund's value.

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 will be negatively affected when it has to sell such assets at unfavorable prices.

Please refer to [Section 3.5](#) of the Master Prospectus for further information on product specific risks.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

- Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Sales Charge (imposed for every transaction performed)	IUTA, CUTA, UTC and direct purchase	6.0%
Repurchase Charge	Nil	
Switching Fee	Up to RM25.00 per transaction	
Transfer Fee	Up to RM10.00 per transaction	
Other Charges (imposed for every transaction performed)	<ul style="list-style-type: none"> Bank charges Telegraphic Transfer charges 	Rate is determined by the appointed bankers
Distribution Channel(s)	<ul style="list-style-type: none"> IUTA CUTA UTC Direct Purchase Auto Debit 	

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

- Payable indirectly by you

Management Fee	1.5% per annum
Trustee Fee	0.05% per annum
Other fees charged by the Fund	<ul style="list-style-type: none"> Commissions/fees paid to brokers/dealers; Auditor's fee; Tax adviser's fee; Valuation fee; Taxes; Custodial Charges; Tax voucher/distribution warrants; and Any other fees/expenses permitted by the Deed

Please refer to [Chapter 4](#) of the Master Prospectus for further information on product fees and charges.

Note: In addition, the above fees and charges are subject to the Tax at the prevailing rate.

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

- It is our policy that the Fund is valued on a daily basis at the end of a Business day.
- You may obtain our latest information on the Fund's price at our website, pmbinvestment.com.my.

Please refer to **Chapter 5** of the Master Prospectus for further determination of prices and redemption details.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

- **Cooling-off Period**

If you are a first time individual investor, you have the right to withdraw your application for investment within six (6) business days, beginning from the day the completed application is received and accepted by us. However, this cooling-off period does not apply to a staff of the Manager and a person registered with a body approved by the SC to deal in unit trusts.

You are entitled to receive a full refund of the money initially invested i.e. the NAV per unit on the day the Units were first purchased and the sales charge per unit originally imposed on the day the Units were purchased. The money payable out of this transaction must be refunded to the investor within 10 days of receipt of cooling-off.

- **Redemption**

- You may exit from this investment on any business day by completing a Transaction Form together with a photocopy of your NRIC.
- For a request to redeem units received or deemed to have been received by us before 3.00 p.m. on any Business Day, units will be redeemed at the NAV per unit calculated at the end of Business Day on which the request was received ("forward pricing").
- Where the repurchase request is received after the cut-off time, i.e. after 3.00 p.m., the request will be deemed to have been received on the next Business Day.
- Payment will be made within 10 days of the receipt of redemption request.
- We reserve the right to vary the terms and conditions of repurchase/redemption mode from time to time, which shall be communicated to you in writing.
- No redemption charge is imposed when you redeem your investment.

Please refer to **Chapter 5** of the Master Prospectus for further information on determination of prices and redemption details.

CONTACT INFORMATION

WHO SHOULD I CONTACT FOR FURTHER INFORMATION OR TO LODGE A COMPLAINT?

- You can call us, PMB Investment Berhad, at (03) 2785 9900, email us at investorrelation@pelaburanmara.com.my or visit our appointed distributors as listed on pmbinvestment.com.my. Our business address is at Level 20, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, 50470 Kuala Lumpur.
- For any complaint or internal dispute resolution, please contact:
Customer Service Unit
PMB Investment Berhad
Level 20, 1 Sentral
Jalan Rakyat, Kuala Lumpur Sentral
50470 Kuala Lumpur.

Please state the date, time, place of occurrence, person involved and nature of your complaint or dispute. You may also lodge your complaint through telephone calls.

- If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Corporation (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 Center (SIDREC)**
Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

- 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 Investor Affairs & Complaints Department:
 - (a) via phone to : (03) 6204 8999
 - (b) via fax to : (03) 6204 8991
 - (c) via e-mail 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.

- **Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:**
 - (a) via phone to : (03) 2092 3800
 - (b) via fax to : (03)2093 2700
 - (c) via e-mail : complaints@fimm.com.my
 - (d) via online complaint form available at: www.fimm.com.my
 - (e) 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

Please refer to **Chapter 12** of the Master Prospectus for further information.

APPENDIX: GLOSSARY OF TERMS

- **Bursa Malaysia:** means Malaysia's stock exchange managed by Bursa Malaysia Securities Berhad;
- **Business day:** means a day on which the Bursa Malaysia is open for dealings;
- **CUTA:** means 'Corporate Unit Trust Adviser', which is a licensed financial planner registered with FIMM and authorised to market and distributed unit trust schemes of another party;
- **Cut-off time:** means the time by which requests for unit purchases or redemptions by investors are accepted each day up to the Fund's dealing cut-off time and are processed using the same day-end's NAV per unit prices;
- **Deed:** means the principal and the supplemental deeds of the Fund made between the Manager and the Trustee;
- **FIMM:** means Federation of Investment Managers Malaysia;
- **Forward pricing:** means the purchase or redemption of units is determined based on the NAV per unit calculated at the next valuation point after an application to purchase or repurchase units is received by the Manager;
- **Fund:** means PMB Shariah Small-Cap Fund;
- **IUTA:** 'Institutional Unit Trust Adviser', which is an institution, a corporation or an organization registered with the FIMM in accordance with FIMM's Guidelines for Registration of Institutional Unit Trust Adviser for the marketing and distribution of unit trusts;
- **Long term:** means a period of more than 5 years;
- **Medium term:** means a period of between 3 and 5 years;
- **NAV:** means 'Net Asset Value', refers to the value of a unit trust fund which is determined by deducting the value of all the fund's liabilities from the value of all the fund's assets, at the valuation point;
- **SAC:** means the Shariah Advisory Council of the SC and/or BNM;
- **SC:** means Securities Commission Malaysia, established under the Securities Commission Act, 1993;
- **Shariah:** means Islamic laws, originating from the Qur'an (the holy book of Islam), and its practices and explanations rendered by the Prophet Muhammad (peace be upon him) and ijtehad of ulama' (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit);
- **Shariah-compliant securities:** means the investment portfolio of the Fund comprises securities that have been classified as Shariah-compliant by the SAC of the SC or the SC of BNM. For securities that have yet to be certified by the SAC of the SC or the SC of BNM, the Shariah Adviser of the Fund will determine whether or not the securities are Shariah-compliant for investment by the Fund;
- **Tax:** means any applicable tax and/or duties which may be imposed by the government or other authorities from time to time;
- **UTC or Unit Trust Consultant:** means an individual unit trust adviser registered with FIMM.

Please refer to [Chapter 1](#) of the Master Prospectus for further information on Glossary of Terms.