

TA DANA AFIF

Date of Issuance: 23 November 2021

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of TA Investment Management Berhad 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 omissions 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 **TA Dana Afif** and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the **TA Dana Afif** and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission of Malaysia recommends the **TA Dana Afif** or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

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This Product Highlights Sheet only highlights the key features and risks of this Fund.
Investors are advised to request, read and understand the disclosure documents before deciding to invest.

PRODUCT HIGHLIGHTS SHEET

TA DANA AFIF

BRIEF INFORMATION OF THE PRODUCT

1. What is this product about?

TA Dana Afif (the “Fund”) aims to provide regular income* while maintaining capital stability** over the Medium to Long Term by investing in sukuk portfolio.

**Income could be in the form of units or cash. Please refer to Section 5.9 of the replacement master prospectus dated 23 November 2021 (“Master Prospectus”) on mode of distribution for information.*

***This is not a capital protected/guaranteed fund and the returns are not guaranteed.*

PRODUCT SUITABILITY

2. Who is this product suitable for?

The Fund is suitable for investors who:

- seek income over the Medium to Long Term; and
- have moderate to high risk profile.

KEY PRODUCT FEATURES

3. What am I investing in?

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| Fund Category | Sukuk |
| Launch Date | 1 October 2014 |
| Asset Allocation | <ul style="list-style-type: none"> • The Fund may maintain its sukuk exposure with minimum 70% of the NAV and the balance of the Fund’s NAV will be maintained in Islamic liquid assets; • Foreign investments by the Fund shall not exceed 30% of the Fund’s NAV. |
| Performance Benchmark | Maybank General Investment Account-i 1 month rate. |
| Investment Policy & Strategy | <p>The Fund seeks to achieve its objective by investing in a diversified portfolio of sukuk and Islamic liquid assets. Its sukuk investments varied from sovereign to quasi-sovereign and corporate (listed and unlisted). The Fund may maintain its sukuk exposure with minimum 70% of the NAV and the balance of the Fund’s NAV will be maintained in Islamic liquid assets.</p> <p>The Fund may invest in sukuk of differing maturity without any portfolio maturity limitation. The portfolio is subject to the External Investment Manager’s active duration management in consideration of the movement of the yield curve and credit spread curve. The foreign markets which the Fund may invest in comprise but not limited to ASEAN countries, United Arab Emirates, Saudi Arabia, Bahrain, United Kingdom, India, China, Australia, New Zealand, Japan, Hong Kong, US and Germany. In addition, foreign investments by the Fund shall not exceed 30% of the Fund’s NAV.</p> <p>In response to volatile markets, the Fund’s exposure to potential risks and returns need to be managed actively to achieve its risk-return trade-off. In doing so, the Fund may adopt a defensive strategy temporarily by reallocating up to 100% of the Fund’s Shariah-compliant investments into Islamic liquid assets which may be inconsistent with the Fund’s objective and asset allocation strategy. The defensive strategy may be necessary to protect the Fund’s investment in response to adverse market, economic, political, or any other conditions.</p> <p>The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund’s investment objective.</p> |

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| Minimum Initial Investment | RM1,000. |
| Minimum Additional Investment | RM100. |
| Minimum Holdings | 500 Units. |
| Distribution Policy | Semi-annual distribution, subject to availability of income. |

Note:

Please refer to Section 3 and Section 5 of the Master Prospectus for further information.

4. Who am I investing with?

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| Manager | TA Investment Management Berhad (Registration Number: 199501011387 (340588-T)) |
| Trustee | Maybank Trustees Berhad (Registration Number: 196301000109 (5004-P)) |
| Shariah Adviser | BIMB Securities Sdn Bhd (Registration Number: 199401004484 (290163-X)) |
| External Investment Manager | Opus Asset Management Sdn Bhd (Registration Number: 199601042272 (414625-T)) |

5. What are the possible outcomes of my investment?

The investor may gain from the appreciation of Unit price as a result of the increase in value of the underlying and/or accrual of profit earned. However, investment involves risk. The value of the Fund and its distribution (if any) may rise or fall. These risk factors, among others, may cause you to lose part or all of your investment.

KEY RISKS

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

Specific risks related to the Fund:

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| Credit / Default Risk | This risk is a concern for investments in sukuk and refers to the ability of the issuer or counterpart to honour its obligations to make timely payments of principal and profit. In the event that the issuer is faced with financial difficulties, its credit worthiness may also decrease. This in turn may lead to default in the payments thus would affect the value of the Fund's investment. This risk is managed by the internal policy of setting a ceiling or limit to the exposure and also the constant process of credit evaluation to mitigate such risk to an acceptable level. |
| Interest Rate Risk | The interest rate is a general economic indicator that will have an impact on the management of Fund. It does not in any way suggest that this Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements. |
| Liquidity Risk | Some Shariah-compliant securities may not be as liquid as term Islamic deposits. Hence, there is no guarantee that such Shariah-compliant securities can be disposed of at a desired price and receive the sale proceeds immediately. If the Fund has a large portfolio of Shariah-compliant stocks issued by smaller companies, the relatively less liquid nature of those stocks could cause the value of the Fund to drop; this is because there are generally less ready buyers of such Shariah-compliant stocks as compared with the Shariah-compliant stocks of larger and more established companies. This would mean much care is needed when selecting a mix of Shariah-compliant securities to mitigate this risk. |
| Emerging Market Risk | The Fund may be invested in certain smaller and emerging markets, which exhibits lower levels of economic and/or capital market development, limitations due to foreign investment restrictions, wide dealing spreads, restricted opening hours of stock exchanges and a narrow range of investors. Trading volume and market capitalisation may be lower than in more developed stock markets. This may result in a lower degree of liquidity for the Fund's investments. This risk however may be reduced when there is a low correlation between the activities of those markets and/or by the diversification of investments within the Fund. |
| Currency Risk | The NAV of the Fund may be affected favorably or unfavorably by exchange control regulations or changes in exchange rates between RM and the relevant foreign currencies if the Fund invests in foreign currencies or assets denominated in foreign currencies, the Fund is exposed |

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| | to foreign currencies risks. Fluctuations in exchange rates will affect the value of the Fund's foreign investments when converted into the local currency and subsequently the value of Unit Holders' investments. |
| External Fund Manager's Risk | In the case that the investments of Fund are managed by another fund house, the Manager has no control over the fund house's investment technique, knowledge or management expertise. In the event of mismanagement of the investments by the fund house, the NAV of the Fund which invests into would be affected negatively. The Fund would also be affected should there be any unresolved dispute between the Manager and the fund house. Although the probability of such occurrences is minor, should the situation arise TAIM reserves the right to seek an alternative external fund manager that is consistent with the objective of the Fund. |
| Reinvestment Risk | This refers to the risk that the proceeds from investment in sukuk may have to be reinvested at lower rate of returns from the initial investment. In a declining interest rate environment, the proceeds from profit payments and principal payments of the sukuk may have to be reinvested in another sukuk with lower rate of returns. Conversely, in a rising interest rate environment, it is not certain that the proceeds can be reinvested at similar or higher rate of returns due to factor such as non-availability of suitable sukuk. |
| Shariah Status Reclassification Risk | <p>(a) Shariah-compliant equity securities</p> <p>The risk refers to the risk that the currently held Shariah-compliant equity securities in the portfolio of Islamic funds may be reclassified as Shariah non-compliant in the periodic review of the securities by the SACSC, 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.</p> <p>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 securities. In such an event, the Fund is required:</p> <ul style="list-style-type: none"> (i) to dispose of such securities with immediate effect or within one (1) calendar month if the value of the securities exceeds or is equal to the investment cost on the last trading day before the effective date of reclassification of the list of Shariah-compliant securities ("Reclassification") by the SACSC or date of review ("Review") by 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 last trading day before the effective date of Reclassification or Review. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities on and after the effective date of Reclassification or Review should be channelled to <i>baitulmal</i> and/or charitable bodies approved by the Shariah Adviser; (ii) to hold such securities if the value of the said securities is below the investment cost on the last trading day before the effective date of Reclassification or Review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month, excess capital gains (if any) from the disposal of the securities should be channelled to <i>baitulmal</i> and/or charitable bodies approved by the Shariah Adviser; or (iii) to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Fund's value. <p>(b) Islamic fixed income instruments or Islamic money market instruments or Islamic deposits</p> <p>This risk refers to the risk of a possibility that the currently held Islamic fixed income instruments or Islamic money market instruments or Islamic deposits invested by Islamic funds may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such fixed income instruments or money market instruments or deposits.</p> <p>Note: Please refer to cleansing process for the Fund for details.</p> |

Note:

Please refer to Section 3.20 of the Master Prospectus for further information.

Please be advised that if an investor invests in Units through an IUTA which adopts the nominee system of ownership, the investor would not be considered to be a Unit Holder under the Deed and the investor may consequently 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 the Unit Holder's particulars appearing in the register of Unit Holders of the Fund).

FEE & CHARGES

7. What are the fees and charges involved?

Fees and charges¹ related to the Fund:

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| Sales Charge | A maximum of 2.00% of the NAV per Unit of / amount invested in the Fund (rounded to the nearest RM0.01) is imposed either by IUTAs, unit trust consultants or by the Manager. |
| Redemption Charge | The Manager has no intention to impose any repurchase charge. |
| Switching Fee | The Manager does not impose any switching fee, however, if the amount of sales charge of the fund that the Unit Holder intends to switch into is more than the sales charge imposed by the fund being switched from, then the difference in the sales charge between the two (2) funds shall be borne by the Unit Holder. |
| Transfer Fee | An administrative charge of RM5.00 or any other amount as the Manager may deem appropriate. |
| Annual Management Fee | Up to 1.20% per annum of the NAV of the Fund. |
| Annual Trustee Fee² | 0.05% per annum of the NAV of the Fund calculated on a daily basis subject to a minimum of RM12,000 per annum. |

Notes:

1. We may for any reason and at any time, waive or reduce: (A) any fees (except the trustee fee); (B) other charges payable by you in respect of the Fund; and/or (C) transactional values including but not limited to the Units or amounts, for any Unit Holder and/or investments made via any distribution channels or platform.
2. Actual rate excluding foreign custodian fee and charges.

Please refer to Section 4 of the Master Prospectus for further information.

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

8. How often are valuations available?

Valuations are valued daily at the end of each Business Day and you may refer to the Manager's website at www.tainvest.com.my for the Unit price.

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

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|---------------------------|--|
| Cooling-off period | <ul style="list-style-type: none">• A cooling off right is only given to an individual investor who is investing in any of the unit trust funds managed by TAIM for the first time but shall not include the following person:<ul style="list-style-type: none">➢ a staff of TAIM; and➢ a person registered with a body approved by the SC to deal in unit trusts• There is a cooling-off period of six (6) Business Days from the day your application is accepted or deemed to be accepted by the Manager. |
| Redemption | <ul style="list-style-type: none">• Redemption requests must be submitted by completing the transaction form.• Redemption proceed will be paid within ten (10) days, (or it may subject to the change/revised policy by regulator), from the day the redemption request is received by us based on the selected payment method stated in the transaction form received by our head office or business centres. |

Note:

Please refer to Section 5 of the Master Prospectus for detailed information.

FUND PERFORMANCE

The basis of calculating and assumption made in calculating the returns:

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| $\text{Percentage Growth} = \frac{N^1 - N^2}{N^2} \times 100$ <p>N¹ = NAV on the end of the period N² = NAV on the beginning of the period</p> <p>* <i>Average Total Return</i> = $\frac{\text{Total Sub Period Returns}}{\text{Number of Sub Periods}}$</p> <p>** <i>Annual Total Return</i> = $(1 + \text{Cumulative Return})^{N^3/N^4} - 1$</p> <p>N³ = Number of periods per year N⁴ = Total number of periods</p> <p>Factor in for unit splits and distributions paid out (if any during the period)</p> |
|---|

Average Total Return as at 29 February 2021

| | 1 Year | 3 Years | 5 Years | Since Inception (01/10/2014-28/02/2021) |
|----------------------|--------|---------|---------|--|
| Fund (%) | -0.69 | 4.35 | 4.17 | 4.18 |
| Benchmark (%) | 1.21 | 2.31 | 2.79 | 2.94 |

Source: Lipper for Investment Management

Annual Total Return for the Financial Year Ended 29 February

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | Since Inception (01/10/2014- 28/02/2015) |
|----------------------|-------|------|------|------|------|------|---|
| Fund (%) | -0.69 | 8.62 | 5.35 | 3.17 | 4.64 | 4.16 | 1.76 |
| Benchmark (%) | 1.21 | 2.47 | 3.25 | 3.20 | 3.85 | 3.64 | 1.24 |

Source: Lipper for Investment Management

Distribution of Income for the Financial Year Ended 29 February

| | 2021 | 2020 | 2019 |
|--|------|------|------|
| Gross distribution per Unit (sen) - Final | 0.60 | 1.30 | 1.30 |
| Gross distribution per Unit (sen) - Interim | 0.60 | 1.00 | 1.00 |
| Net distribution per Unit (sen) – Final | 0.60 | 1.30 | 1.30 |
| Net distribution per Unit (sen) – Interim | 0.60 | 1.00 | 1.00 |

(Distribution of income was made in the form of cash and reinvestment of units)

Performance and Investment Strategies Employed

The Fund was managed within its investment objective for the financial year under review but did not meet its objective. The Fund's total return was -0.69% for the year ended 28th February 2021, underperforming the benchmark return of 1.21%. Hence, the Fund has underperformed the benchmark by 0.52% over the financial year under review.

As at 28th February 2021, the Fund has a duration of 5.6 years. The sukuk invested in by the Fund are investment grade papers with an average rating of AAA, which are generally quite liquid.

Portfolio Turnover Ratio ("PTR") for the Financial Year Ended 29 February

| | 2021 | 2020 | 2019 |
|--------------------|------|------|------|
| PTR (times) | 1.31 | 0.95 | 0.59 |

The PTR for the current financial year has increased as compared to previous financial year. This is due to increase to increase transaction value of the Fund.

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

CONTACT INFORMATION

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

1. For internal dispute resolution, you may contact:

Our authorised distributors or our customer service officers on toll free 1-800-38-7147 between 9.00 a.m. and 6.00 p.m. (Malaysia time), from Monday to Friday (except public holidays), or you can email us at investor.taim@ta.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 Center (SIDREC):

- (a) via phone to : 03-2282 2280
- (b) via fax to : 03-2282 3855
- (c) via e-mail 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

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 the Aduan Hotline at : 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
3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur

4. 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 to : 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

APPENDIX: GLOSSARY

| | |
|---------------------|---|
| Business Day | In respect of a Fund means a day on which Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business. The Manager may declare certain Business Days to be a non-Business Day although Bursa Malaysia or the banks are open for business. |
| Deed | The deeds including any supplemental deeds made between TAIM, the Trustee and the Unit Holders of the Fund, agreeing to be bound by the provisions of the respective deeds. |
| IUTA | A corporation registered with the Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party. |
| Medium to Long Term | Investment horizon of minimum three (3) years. |

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|------------------------------|--|
| Net Asset Value or NAV | NAV of the Fund is the total value of all the Fund's assets less the total value of all its liabilities at a valuation point. |
| NAV per Unit | NAV of the Fund divided by the number of Units in circulation, at the same valuation point. |
| SACSC | Shariah Advisory Council of the Securities Commission. |
| SC | Securities Commission Malaysia established under the Securities Commission Malaysia Act, 1993. |
| Shariah | Means Islamic law and specifically in the context of this Master Prospectus and its associated Fund, it is pertaining to guidelines, rulings and decisions issued by the SACSC and the advice of the Shariah Adviser. |
| Shariah Supervisory Board | Refers to independent supervisory or advisory body of specialised jurists in <i>Fiqh al-mua'malat</i> (Islamic commercial jurisprudence). |
| sukuk | Refers to certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts endorsed by the SACSC or any relevant Shariah Supervisory Boards and/or the Shariah advisers. |
| Unit or Units | An undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund. |
| Unit Holder | A person for the time being who is registered pursuant to the Deed as a holder of Units of the Fund, including persons jointly so registered. |
| We / us / the Manager / TAIM | TA Investment Management Berhad (Registration Number: 199501011387(340588-T)). |