

Date of Issuance: 1 September 2021

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 Apex Investment Services 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/recognised the issuance Apex Dana Al-Faiz-I and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Apex Dana Al-Faiz-I and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission of Malaysia recommends the Apex Dana Al-Faiz-I 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 Apex Investment Services Berhad responsible for the Apex Dana Al-Faiz-I 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 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

APEX DANA AL-FAIZ-I

BRIEF INFORMATION OF THE PRODUCT

1. What is this product about?

This is an open-ended Shariah-compliant Growth and Income Balanced Fund issued and managed by Apex Investment Services Berhad.

The Fund seeks to provide regular income over a short to medium term period and an opportunity for capital appreciation by investing in a diversified portfolio of Islamic money market instruments and other investments that may be permitted pursuant to the provisions of the Deed and relevant laws.

PRODUCT SUITABILITY

2. Who is this product suitable for?

The Fund is suitable for investors who expect capital appreciation with regular distribution, have medium to high risk tolerance, and wish to invest in accordance to the Shariah principle.

KEY PRODUCT FEATURES

3. What am I investing in?

Launch Date	28 August 2003
Initial Offer Price	RM0.2500 (applicable during the initial offer period of not more than 21 calendar days from the commencement date of the Fund)
Tenure	The Fund is an open-ended fund which means there is no maturity date and may only be terminated in accordance with the terms of the Prospectus and the provisions of the Deed.
Investment Strategy And Asset Allocation	<p>To invest in a portfolio of sukuk and Shariah-compliant equity securities. The Fund will normally have an exposure of 60% in Shariah-compliant equity and Shariah-compliant equity-related securities and 35% in sukuk or Trustee Stocks. A minimum of 40% of its NAV is invested in Shariah-compliant equity and Shariah-compliant equity-related securities.</p> <p>The asset allocation of the Fund for cash and Shariah-compliant equities will depend on the outlook of the market, whereby the exposure of the fund in Shariah-compliant equity and Shariah-compliant equity-related securities shall not be more than 95% of the Fund's NAV. The minimum level of the Islamic liquid assets to be held by the Fund at all times shall not be less than 5% of the Fund's NAV.</p> <p>Any Shariah-compliant equity-related securities exposure (includes Shariah-compliant warrants and Islamic convertible loan stocks) in excess of 60% will be invested only in Trustees Stocks. In a declining Shariah-compliant equity market, the Shariah-compliant equity exposure may be reduced to a minimum of 20%. The Fund will invest in Trustee Stocks that have consecutive dividend payment</p>

	records of at least 5 years, Islamic fixed income instruments that have RAM or MARC credit ratings of at least AA, or Islamic money market instruments from licensed Financial Institutions. The Fund will not take positions that would be inconsistent with the Fund's principal strategy irrespective of the market conditions. We adopt an active investment management approach that is not a 'frequent-trading' strategy", however the frequency of its trading strategy will very much determine by the prevailing market opportunities.
Benchmark	FBMS and 12-month Maybank Berhad Investment Account Rate.
Minimum Investment	i) Cash Plan - RM1,000.00 for initial and RM100.00 for additional investment. ii) Monthly Regular Savings Plan – RM100.00 for initial and additional investment. iii) EPF Plan – RM1,000.00 for initial and additional investment.
Maximum Approved Fund Size	450,000,000 units.
Distribution Policy	Distribution is at the discretion of the Manager. If income distributed, it will be automatically re-invested via issuance of additional Units in the Fund.

Note : Please refer to the Master Prospectus for further details of the fund.

4. Who am I investing with?

The Manager	Apex Investment Services Berhad
The Trustee	Maybank Trustees Berhad
Auditor	Crowe Malaysia PLT
Taxation Adviser	Mazars Taxation Services Sdn Bhd
Solicitor	Wei Chien & Partners
Principal Banker	Malayan Banking Berhad
Shariah Advisor	i) Prof. Madya Dr. Mohamad Sabri bin Haron ii) Dr. Ab. Halim bin Muhammad iii) Mohd Fadhly bin Md. Yusoff

5. What are the possible outcomes of my investment?

By applying fundamental and technical analysis, the Manager aims to deliver reasonable returns in line with the investment objectives. The Fund is expected to produce capital appreciation due to its investment in the equity and equity related securities. The Fund's investment in Trustee stocks and debentures is also expected to provide regular income distribution. As the equity market is affected by many other factors, the net asset value of the Fund will also be affected by the volatility of the markets. Please note that the capital and returns of the Fund are not guaranteed.

KEY RISKS

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

1. a) General Investment Risks

- **Country Risk** - Investments of the fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the fund in those affected countries. This in turn may cause the net asset value of the fund or prices of units to fall.

APEX DANA AL-FAIZ-I [ADAF-I]

- **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.
- **Risk of Non-Compliance** - Non-adherence with laws, rules, regulations, prescribed practices, internal policies and procedures may result in tarnished reputation, limited business opportunities and reduced expansion potential for the management company. Unit holders' investment goals may also be affected if the fund manager does not adhere to the investment mandate. Compliance unit of the management company, which oversees the entire compliance matters of the management company, will mitigate such risk.
- **Loan Financing Risk** - This risk occurs when investors take a loan/financing to finance their investment. The inherent risk of investing with borrowed money includes investors being unable to service the loan repayments. 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.
- **Returns Are Not Guaranteed Risk** - There is no guarantee on the investment returns to Unit holders. Unlike fixed deposits, which carry a specific rate of return, the fund does not provide a fixed rate of return.
- **Inflation Risk** - 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.
- **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.
- **Future Contract Risk** - A future is similar to an option, except that with futures, investors must exercise their right to purchase the underlying financial instrument or commodity at the settlement date. Hence, the downside risk is basically unlimited because investors are obligated to fulfil their end of the transaction regardless of how market prices move. A futures contract is an agreement to transact at a later date. Because of this, it is important to sell the contract before the settlement date. That way, investors can avoid having a truckload of commodities delivered to their doorstep on the day of the settlement.
- **Credit and Default Risk** - Credit risk relates to the creditworthiness of the issuers of the debt instruments and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a debt instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the debt instruments. This could adversely affect the value of the fund.

b) Specific Risks for investing in equities and equity-related securities

- **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.
- **Particular Stock 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.

- **Warrant Risk** - Warrants have a limited life, as denoted by the expiry date of each issue. After this date, warrants can no longer be traded or exercised. Hence, the warrants are worthless after their expiry date. It must also be noted that warrants experience time decay (erosion of their time value) throughout their life, and that the rate of this decay accelerates as warrants near expiry.
- **Negative Return Risk** - The Fund will generate a negative return whenever the stock market is bearish. To minimize the negative return, the fund manager will reduce the exposure of equity investment in the Fund.
- **Reclassification of Shariah Status Risk** - This risk refers to the risk that the currently held Shariah-compliant equities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the equities by the SAC, the Shariah adviser or the Shariah boards of the relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose such equities. 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.
- **Dividend Payment Risk** - Dividend stocks may declare less-than-expected dividend payment. This may happen due to an unfavorable business condition. In this regard, the fund manager will dispose the dividend stocks if the dividend payments are no longer deemed attractive.
- **Derivatives Risk** - While the Fund does not intend to actively trade in derivatives, the Manager may enter into forward contracts to hedge the Fund's positions. Unit holders should be aware that there is a risk of higher volatility in the NAV per Unit of the Fund when derivatives or structured products are part of the Fund's investment assets. Any change in the aforesaid factors would either positively or negatively impact the value of the investment.

c) Specific Risks for investing in fixed income securities

- **Interest Rate Risk** - Interest rate risk refers to the impact of interest rate changes on the valuation of debt instruments. When interest rates rise, debt instruments prices generally decline and this may lower the market value of the Fund's investment in debt instruments. The reverse may apply when interest rates fall. In order to mitigate interest rate risk, the Manager will need to manage the debt portfolio taking into account the coupon rate and time to maturity of the debt instruments.
- **Credit Risk** - Credit risk relates to the creditworthiness of the issuers of the debt instruments and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit rating downgrade.

2. A unit trust consultant (UTC) may represent a company that distributes unit trust fund that uses a nominee system and the rights as a unit holder may be limited if an investor invest in unit trust funds through it. If the company that distributes unit trust fund uses a nominee system, to state if rights as a unit holder will be limited in any way.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect investments against all risks. The various asset classes generally exhibit different levels of risk.

The investments of the Fund carry risk and you are recommended to read the whole Master Prospectus to assess the risk of the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

FEES & CHARGES

7. What are the fees and charges involved?

There are fees and charges involved and you are advised to consider them before contributing to the Fund.

Sales Charge	5.2632% of the NAV per unit
Redemption Charge	Nil
Switching Fee	3 free switches per account are allowed in each calendar year. Further switches will be subject to a 1% charge based on proceeds of redemption.
Transfer fee	RM5 per transfer
Annual Management Fee	1.50% p.a. of the NAV (before deducting the management fee and trustee fee)
Trustee Fee	0.05% (before deducting the management fee and trustee fee for the relevant day), subject to a minimum of RM16,000 p.a

The sales charge will be added to the NAV in deriving the total cost to the investors. The computation is based on the NAV per Unit of the Fund that has not been rounded up.

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

8. How often are valuations available?

The Fund will be valued on every Business Day and the Net Asset Value (NAV) per Unit will be published on the Manager's website at www.apexis.com.my. However, if the investments of the Fund are in foreign markets, the daily price of the Fund for a particular Business Day will not be published on the next day but will instead be published the next following day (i.e. the price will be available two (2) days later). You may also obtain the NAV per unit of the fund from our customer service at 03-20959999 or email at enquiry@apexis.com.my.

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

You may request to redeem your investment in the Fund at any point in time by completing the Quickform and returning it to the Manager on any Business Day between 9.00 a.m. to 4.00 p.m. Payment will be made to you within 5 Business days from the day the redemption request is received by the Manager and provided that all documentations are completed and verifiable.

Cooling off-period

The cooling-off period is applicable to all first time investors except for corporation/institution, staff of the Manager and persons registered with a body approved by the Securities Commission to deal in unit trusts.

The cooling off right must be exercised within six (6) Business Days commencing from the date of receipt of the application for Units by the Manager. The refund for every Unit held by the investor pursuant to exercising his cooling off right shall be the sum of the NAV per Unit on the day the Units were first purchased and sales charge per Unit originally imposed on the day the Units were purchased.

Switching is strictly prohibited during cooling off period.

FUND PERFORMANCE

Average Total Return (%)

	1 Year	3 Year	5 Year	10 Year
ADAF-I	21.67	4.56	2.57	4.62
Benchmark	1.81	1.85	1.87	3.01

Annual Total Return (%)

Financial Year End	June 2021	June 2020	June 2019	June 2018	June 2017	June 2016	June 2015	June 2014	June 2013	June 2012
ADAF-I	21.67	-8.87	2.54	-7.74	7.59	-3.86	0.29	11.96	15.71	3.78
Benchmark	1.81	1.56	2.10	-1.14	4.79	1.68	-2.83	6.64	8.34	4.22

Source: Bloomberg

For the financial year ended 30 June 2021, the fund registered a return of 21.67% as compared to its benchmark's return of 1.81%.

Basis of calculation and assumptions made in calculating the returns.

Average total return : $\frac{\text{Total returns of the years under review}}{\text{No. of years under review}}$
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Annual total return : $\frac{(\text{NAV at the end of the period} - \text{NAV at the beginning of the period})}{\text{NAV at the beginning of the period}}$

Income Distribution & Portfolio Turnover Ratio (PTR)

	30.06.2021 RM	30.06.2020 RM	30.06.2019 RM
Gross Distribution Per Unit	0.005	Nil	Nil
Net Distribution Per Unit	0.005	Nil	Nil
Portfolio Turnover Ratio (PTR) (times)	0.64*	0.32	0.33
<i>* the PTR for the financial year was higher compared with previous financial year as there were higher investment activities during the financial year under review.</i>			

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

CONTACT INFORMATION

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

1. For internal dispute resolution, you may contact our Customer Service personnel:

- a) via phone to : 03-2095 9999
- b) via fax to : 03-2095 0693
- c) via email to : enquiry@apexis.com.my
- d) via website to : www.apexis.com.my
- e) via letter to : Apex Investment Services Berhad
3rd Floor, Menara MBSB, 46, Jalan Dungun,
Damansara Heights, 50490 Kuala Lumpur.

2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Center (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

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 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 –20932600
- (b) via fax to : 03 –20932700
- (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 & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6th Floor Wisma Tune
No. 19, Lorong Dungun , Damansara Heights
50490 Kuala Lumpur

GLOSSARY

NAV	Net Asset Value
p.a	Per annum
FBMS	FTSE Bursa Malaysia EMAS Shariah Index
SC	Securities Commission
EPF	Employee Provident Fund