

**Date of Issuance: 1 August 2020**

**Eastspring Investments Islamic Small-cap Fund**

**RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the authorised persons approved by the Board of Eastspring Investments 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 Eastspring Investments Islamic Small-cap Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Eastspring Investments Islamic Small-cap Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Eastspring Investments Islamic 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 Eastspring Investments Berhad responsible for the Eastspring Investments Islamic 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 Product Highlights Sheet only highlights the key features and risks of the Fund. Investors are advised to request, read and understand the Fund’s prospectus and its supplementary(ies) (if any) (hereinafter collectively referred to as “Prospectus”) before deciding to invest. If in doubt, please consult a professional adviser.

**PRODUCT HIGHLIGHTS SHEET**

**Eastspring Investments Islamic Small-cap Fund (“Fund”)**

Fund Category	<b>Equity (small-cap Shariah)</b>	Launch Date	<b>25 May 2017</b>
Fund Type	<b>Growth</b>	Manager	<b>Eastspring Investments Berhad</b>
Financial Year End	<b>31 May</b>		

**PRODUCT SUITABILITY**

**WHO IS THE PRODUCT SUITABLE FOR?**

The Fund is suitable for investors who:

- seek capital appreciation;
- have high risk tolerance; and
- adopt a long-term investment horizon.

Refer to “Investors’ Profile” in the “Fund Information” section of the Fund’s Prospectus.

**KEY PRODUCT FEATURES**

**WHAT ARE YOU INVESTING IN?**

You are investing in a Shariah-compliant equity fund which seeks to provide capital appreciation by investing in small market capitalisation Shariah-compliant securities of companies with growth potential.

Refer to “Fund Objective” in the “Fund Information” section of the Fund’s Prospectus.

**Investment Strategy**

The Fund seeks to achieve its objective by investing in Shariah-compliant equities and equity-related securities, such as rights and Shariah-compliant warrants of small-cap companies listed in Malaysia with market capitalisation up to RM5 billion. When the market capitalisation of the companies within the portfolio increase beyond RM5 billion after the point of acquisition, the Fund will not increase its holdings in Shariah-compliant equities and equity-related securities of such companies. However, the Fund may remain to be invested in those Shariah-compliant equities and equity-related securities which have grown over time in the Fund’s portfolio.

Refer to “Investment Strategy” in the “Fund Information” section of the Fund’s Prospectus.

**Asset Allocation**

- Minimum of 70% of the Fund’s NAV in Shariah-compliant equities and equity-related securities.
- Minimum of 1% of the Fund’s NAV in Islamic deposits or Islamic liquid assets.

Refer to “Asset Allocation” in the “Fund Information” section of the Fund’s Prospectus.

Income Distribution Policy	
Subject to the availability of income, distribution of income, if any, will be incidental, after deduction of taxation and expenses.	Refer to “Income Distribution Policy” in the “Fund Information” section of the Fund’s Prospectus.
Parties Involved	
<p><b>WHO ARE YOU INVESTING WITH?</b></p> <ul style="list-style-type: none"> <li>• The Manager is Eastspring Investments Berhad (company no.: 200001028634 (531241-U)) incorporated in November 2000 and is part of Prudential plc (United Kingdom) group.</li> <li>• The Trustee of the Fund is Deutsche Trustees Malaysia Berhad (company no.: 200701005591 (763590-H)).</li> <li>• The Shariah adviser of the Fund is BIMB Securities Sdn Bhd (company no.: 199401004484 (290163-X)).</li> </ul>	Refer to “The Management and the Administration of the Fund”, “The Trustee” and “The Shariah Adviser” sections of the Fund’s Prospectus.
Possible Outcomes of Investing in the Fund	
Investment involves risk and different types of unit trust funds carry different levels of risk. The value of the Fund and its distributions (if any) may rise or fall. These risk factors, among others, may cause you to lose some or all of your investment.	Refer to “Risk Factors in the “Fund Information” section of the Fund’s Prospectus.
KEY RISKS	
<b>WHAT ARE THE KEY RISKS ASSOCIATED WITH THE FUND?</b>	Refer to “Risk Factors” in the “Fund Information” section of the Fund’s Prospectus.
Equity risk	
<ul style="list-style-type: none"> <li>• Adverse price movements of a particular Shariah-compliant security invested by the Fund may adversely affect the Fund’s NAV.</li> </ul>	
Shariah status reclassification risk	
<ul style="list-style-type: none"> <li>• This risk refers to the risk that the currently held Shariah-compliant securities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the SAC of the SC or the Shariah Adviser.</li> </ul>	

**Please be advised that if you invest in Units through an Institutional Unit Trust Adviser (IUTA) which adopts the nominee system of ownership, you would not be considered to be a Unit Holder under the Deed and you 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 your particulars appearing in the register of Unit Holders of the Fund).**

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THE FUND?

The fees, charges and expenses disclosed are exclusive of any taxes or duties that may be imposed by the government or other authorities from time to time.

Payable directly by you

<b>Sales charge</b>	Up to 5.26% of the NAV per Unit of the Fund. Sales charge is negotiable due to the different levels of services provided by each authorised distributor and/or the size of the investment undertaken.  (The sales charge is payable for every new subscription)
<b>Repurchase charge</b>	Nil
<b>Switching fee</b>	There is no switching fee imposed on switching of Units but Unit Holders have to pay the difference between sales charge if Unit Holders wish to switch into another fund with a higher sales charge. However, no sales charge will be imposed if the fund to be switched into has lower sales charge than the Fund.

Payable indirectly by you

<b>Annual management fee</b>	Up to 1.50% of the NAV of the Fund per annum
<b>Annual trustee fee</b>	Up to 0.065% per annum of the NAV of the Fund, subject to a minimum of RM15,000 per annum

You can buy unit trusts either through a Unit Trust Consultant (UTC), Institutional Unit Trust Advisers (IUTA), Corporate Unit Trust Advisers (CUTA) or directly from the Manager or online, but each has different sales charge and level of service.

If you redeem your units in a unit trust fund and purchase units in another unit trust fund, you will probably have to pay a sales charge. However, if you perform switching, you may pay lower sales charge. Please refer to switching fee for more details.

Refer to “Fees, Charges and Expenses” section of the Fund’s Prospectus.

<b>VALUATION AND EXITING FROM THE FUND</b>	
<b>HOW OFTEN ARE VALUATIONS AVAILABLE FOR THE FUND?</b>	
<p>The Fund will be valued at least once every Business Day. The latest Unit prices are published every Business Day on the Manager’s website, <a href="http://www.eastspring.com/my">www.eastspring.com/my</a> or you may contact the Manager directly at (603) 2778 1000.</p>	<p>Refer to “Valuation Of The Fund” in the “Fund Information” section of the Fund’s Prospectus.</p>
<b>HOW CAN YOU EXIT FROM THE FUND AND WHAT ARE THE RISKS AND COSTS INVOLVED?</b>	
<ul style="list-style-type: none"> <li>• You may redeem all or some of the Units held on any Business Day by completing a transaction form. Redemption application should be made before the cut-off time of 4.00 p.m. on any Business Day. The Units will be redeemed at the NAV per Unit calculated at the next valuation point (i.e. forward pricing) after the redemption application is received by the Manager.</li> <li>• When the redemption application is received after the cut-off time as stated above, the application will be deemed to have been received on the next Business Day.</li> <li>• The Manager shall pay you the redemption proceeds within ten (10) calendar days from the date the Manager receives the duly completed transaction form. Payment will be made via e-payment according to your bank account details as stated in the duly completed transaction form.</li> </ul>	<p>Refer to “Transaction Information” section of the Fund’s Prospectus.</p>
<b>COOLING-OFF POLICY</b>	
<ul style="list-style-type: none"> <li>• A cooling-off right is only given to an individual investor who is investing in any of the unit trust funds managed by the Manager for the first time but shall not include the Manager’s staff and a person registered with a body approved by the SC to deal in unit trusts.</li> <li>• The cooling-off right allows Unit Holder the opportunity to reverse an investment decision which could have been unduly influenced by certain external elements or factors.</li> <li>• The cooling-off period shall be within six (6) Business Days which shall be effective from the date the Manager receives the duly completed transaction form.</li> </ul>	<p>Refer to “Cooling-off Period &amp; Cooling-off Right” in the “Transaction Information” section of the Fund’s Prospectus.</p>

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

## PERFORMANCE OF THE FUND

(Source : Annual Report for Eastspring Investments Islamic Small-cap Fund for the Financial Year Ended 31 May 2020)

### AVERAGE TOTAL RETURN OF THE FUND

Period	1-Year	3-Year	5-Year	Since inception
<b>As at 31 May 2020 (%)</b>				
Fund	1.70	-	-	(1.04)

(Source : The above total return of the Fund was sourced from Lipper for Investment Management)

### ANNUAL TOTAL RETURN OF THE FUND FOR THE LAST 10 YEARS

As at 31 May 2020 (%)

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund	-	-	-	-	-	-	-	(7.40)*	2.94	1.70
Benchmark	-	-	-	-	-	-	-	(21.64)*	(8.07)	3.62

For the period under review (i.e. 1 June 2019 to 31 May 2020), the Fund recorded a return of 1.70%, underperforming the benchmark return of 3.62% by 1.92%. The underperformance was mainly due to run-up in large cap Shariah-complaint stocks in recent months. Our benchmark consists of 20% FTSE Bursa Malaysia EMAS Shariah Index. The Fund is unable to invest in Shariah-complaint stocks of more than RM5bn in market capitalisation.

### BASIS OF CALCULATION AND ASSUMPTIONS MADE IN CALCULATING RETURNS

$$\text{Percentage growth} = \frac{\text{NAV}_t}{\text{NAV}_0} - 1$$

$\text{NAV}_t$  = NAV at the end of the period

$\text{NAV}_0$  = NAV at the beginning of the period

$$\text{Performance annualised} = (1 + \text{Percentage Growth})^{1/n} - 1$$

(Adjusted for unit split and distribution paid out for the period)

n = number of years

### PORTFOLIO TURNOVER RATIO ("PTR") FOR THREE MOST RECENT FINANCIAL YEARS

As at 31 May (times)

Year	2020 (times)	2019 (times)	2018 (times)
Fund	0.27	0.34	0.76*

There were no significant changes to the PTR during the period under review.

### INCOME DISTRIBUTION FOR THREE MOST RECENT FINANCIAL YEARS

As at 31 May

The Fund was launched on 25 May 2017 and there was no income distribution since the Fund launched.

\* Since Fund's inception until financial year end

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

#### OTHER INFORMATION

- Only registered unit trust consultants are allowed to sell unit trust funds. Your unit trust consultants should show you a valid authorisation card confirming that he or she is registered with the Federation of Investment Managers Malaysia (“FIMM”).
- A unit trust fund may only be offered to the public if it is approved by the SC. Go to [www.sc.com.my](http://www.sc.com.my) for a list of unit trust funds currently available in the market or call 603-6204 8777 for assistance.
- When you buy into a unit trust fund, you should be given the latest copy of prospectus for free. Read the prospectus carefully; understand its contents before investing.

#### CONTACT INFORMATION

1) To lodge a complaint or for an internal dispute resolution, you can contact our client services personnel:

- |                   |   |   |
|-------------------|---|---|
| (a) via phone to  | : | (603) 2778 1000   |
| (b) via fax to    | : | (603) 2789 7225   |
| (c) via email to  | : | cs.my@eastspring.com  |
| (d) via letter to | : | Eastspring Investments Berhad<br>Level 22, Menara Prudential<br>Persiaran TRX Barat<br>55188 Tun Razak Exchange<br>Kuala Lumpur |

2) Investor can contact FIMM Complaints Bureau:

- |                               |   |  |
|-------------------------------|---|--|
| (a) via phone to              | : | (603) 2092 3800  |
| (b) via fax to                | : | (603) 2093 2700  |
| (c) via email to              | : | complaints@fimm.com.my   |
| (d) via online complaint form | : | www.fimm.com.my  |
| (e) via letter to             | : | Legal, Secretarial & Regulatory Affairs<br>Federation of Investment Managers Malaysia<br>19-06-1, 6 <sup>th</sup> Floor Wisma Tune<br>No. 19, Lorong Dungun<br>Damansara Heights<br>50490 Kuala Lumpur |

3) Should an individual or a sole proprietor investor be dissatisfied with the outcome of the internal dispute resolution process, he may refer his dispute to the Securities Industry Dispute Resolution Center (SIDREC) via the following modes. The individual or a sole proprietor investor may do so within 180 days of receiving the final answer from the Manager or after 90 days from filing the complaint if there was no response from the Manager.

- |                   |   |  |
|-------------------|---|--|
| (a) via phone to  | : | (603) 2282 2280  |
| (b) via fax to    | : | (603) 2282 3855  |
| (c) via email to  | : | info@sidrec.com.my   |
| (d) via letter to | : | Securities Industry Dispute Resolution Center (SIDREC)<br>Unit A-9-1, Level 9, Tower A<br>Menara UOA Bangsar<br>No. 5, Jalan Bangsar Utama 1<br>59000 Kuala Lumpur |

- 4) The investor can also direct his complaint to the SC even if he has 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 : (603) 6204 8999
  - (b) via fax to : (603) 6204 8991
  - (c) via email to : aduan@seccom.com.my
  - (d) via online complaint form : www.sc.com.my
  - (e) via letter to : Consumer & Investor Office  
Securities Commission Malaysia  
No. 3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur

#### APPENDIX: GLOSSARY OF TERMS

Business Day	Means a day in which Bursa Malaysia is open for trading.
liquid assets	Means any permitted investments capable of being converted into cash within seven (7) days.
Net Asset Value or (NAV)	Means the value of all the Fund's assets less the value of all the Fund's liabilities, at the point of valuation.
NAV per Unit	Means the NAV of the Fund divided by the number of units in circulation, at the valuation point.
SAC	Means Shariah Advisory Council.
SC	Means the Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993.
Unit(s)	Means 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.
Unit Holder(s) or you	Means the person for the time being who is registered pursuant to the deed of the Fund as a holder of Units of the Fund, including a jointholder.