

## PRODUCT HIGHLIGHTS SHEET

# MAYBANK MALAYSIA BALANCED-I FUND ("the Fund")

Date of Issuance: 22 November 2023

## RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of Maybank Asset Management Sdn Bhd 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 Maybank Malaysia Balanced-I Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of Maybank Malaysia Balanced-I Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends Maybank Malaysia Balanced-I 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 Maybank Asset Management Sdn Bhd responsible for Maybank Malaysia Balanced-I 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 Maybank Malaysia Balanced-I Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.**

### 1. What is Maybank Malaysia Balanced-I Fund?

Maybank Malaysia Balanced-I Fund (“MMBI”) is Maybank Asset Management Sdn Bhd’s Shariah-compliant balanced fund. The Fund aims to attain a mix of regular income stream and possible capital growth via investments into listed Shariah-compliant equities, sukuk and other assets that are permissible under the Shariah principles.

### 2. Fund Suitability

The Fund is suitable for investors who:

- seek a fully managed and balanced portfolio of Shariah-compliant investments; and
- have a long term investment horizon of more than 5 years.

### 3. Investment Objective

The Fund aims to attain a mix of regular income stream and possible capital growth via investments into listed Shariah-compliant equities, sukuk and other assets that are permissible under the Shariah principles.

### 4. Key Product Features

<b>Fund Type</b>	Income and growth.
<b>Fund Category</b>	Balanced fund.
<b>Performance Benchmark</b>	<ul style="list-style-type: none"> <li>• 50% of the FTSE Bursa Malaysia EMAS Shariah Index (“FBM EMAS Shariah Index”)</li> <li>• 50% of the Maybank 12 months General Investment Account (“GIA”)-i tier 1 rate.</li> </ul> <p><i>Information on FBM EMAS Shariah Index can be obtained from <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a>. Information on Maybank 12 months GIA-i tier 1 rate can be obtained from <a href="http://www.maybank2u.com.my">www.maybank2u.com.my</a>.</i></p> <p><i>The composite benchmark is a reflection of the Fund’s portfolio structure and objective.</i></p> <p><i>The risk profile of the Fund is different from the risk profile of the benchmark.</i></p>
<b>Investment Strategy</b>	<p>The Fund invests in an optimal mix of assets comprising of Shariah-compliant equities, sukuk and Islamic money market instruments.</p> <p><i>Note: Please refer to section 3.3 in the master prospectus (Shariah funds) for further details.</i></p>
<b>Launch Date</b>	17 September 2002.
<b>Manager</b>	Maybank Asset Management Sdn Bhd.
<b>Management Fee</b>	1.20% of the net asset value (“NAV”), calculated and accrued on a daily basis.

<b>Sales Charge</b>	Up to 5.0% of the NAV per unit. <i>(1) Note: The sales charge for the Fund is negotiable, subject to the discretion of the Manager.</i>			
<b>Repurchase Charge</b>	Nil.			
<b>Switching Charge</b>	<b>Equity</b>	<b>Sukuk/Bond/ Fixed Income</b>	<b>Balanced</b>	<b>Money Market</b>
	Up to 1.5% of amount switched	MYR25 per transaction	MYR25 per transaction	Nil
	<i>Notes:</i> <i>(i) The above is applicable for all switching transactions except where, other than for switching transactions into a money market fund, the sales charge of the fund to be switched into is equal or lower than the sales charge of the Fund, in which case the switching charge shall be MYR25 only.</i> <i>(ii) The Manager reserves the right to waive the switching charge.</i>			
<b>Transfer Charge</b>	MYR25 per transfer. <i>Note:</i> <i>(1) The Manager reserves the right to waive the transfer charge.</i>			
<b>Trustee</b>	AmanahRaya Trustees Berhad.			
<b>Trustee Fee</b>	0.08% per annum of the NAV of the Fund, (before deducting annual management fee and annual trustee fee for the day) accrued daily, subject to a minimum fee of MYR18,000 per annum.			
<b>Shariah Adviser</b>	Maybank Islamic Berhad.			
<b>External Investment Manager ("EIM")</b>	Maybank Islamic Asset Management Sdn Bhd.			
<b>Minimum Initial Investment</b>	MYR500 or such other lower amount as determined by the Manager from time to time.			
<b>Minimum Additional Investment</b>	MYR100 or such other lower amount as determined by the Manager from time to time.			
	<i>Note: The Manager's distributors may set a lower minimum initial and/or additional investments than the above for investments made via the distributors subject to their terms and conditions for investment.</i>			
<b>Minimum Holdings</b>	100 units or such other lower amount as determined by the Manager from time to time.			
<b>Distribution Policy</b>	Income distribution (if any) is declared at the end of the financial year of the Fund or for any specified period at the Manager's discretion, subject to Trustee's approval.  Subject to the provisions of the deed, the Fund may distribute from realised income, realised gains and/or capital to enable the Fund to distribute income on a regular basis in accordance with the distribution policy of the Fund. Any			

	<p>declaration and payment of distribution will have the effect of lowering the NAV of the Fund.</p> <p>Distribution out of the Fund’s capital has a risk of eroding the capital of the Fund. It may reduce the Fund’s capital available for future investment and the Fund’s potential for future income generation; it may also cause the NAV of the Fund to fall over time. The greater the risk of capital erosion that exists, the greater the likelihood that, due to capital erosion, the value of future returns would also be diminished.</p>
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**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.**

## 5. Asset Allocation

Asset Type	Range
Shariah-compliant equities	Minimum 40% to maximum 58% of the Fund’s NAV
Sukuk and Islamic money market instruments	Minimum 40% to maximum 58% of the Fund’s NAV
Islamic liquid assets	Minimum 2% of the Fund’s NAV

## 6. Key Risks

### Specific Risks of the Fund

#### Equity specific risk

Prices of a particular equity 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 equity will adversely affect the Fund’s NAV. However, this impact is mitigated through careful selection of equities through analysis of its fundamental background, portfolio diversification as well as site visits.

#### Credit and default risk

Credit risk relates to the creditworthiness of the issuers of the sukuk or Islamic money market instruments and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the sukuk or Islamic money market instrument. In the case of rated sukuk or issuers of Islamic money market instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a sukuk or Islamic money market instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the sukuk or Islamic money market instruments. This could adversely affect the value of the Fund.

The risk is mitigated by investing in sukuk and Islamic money market instruments with credit ratings of at least A3 or P2 by RAM Rating Services Berhad or equivalent ratings by other rating agencies or investments that are bank or government guaranteed or secured against assets. In the absence of a credit rating for the sukuk and Islamic money market instruments, the credit rating of the issuer issuing the sukuk and Islamic money market instruments will be used instead.

#### Profit rate risk

Profit rate risk refers to the impact of profit rate changes on the valuation of sukuk and Islamic money market instruments. When profit rates rise, sukuk and Islamic money market instrument’s prices generally decline and this may lower the market value of the Fund’s investment in sukuk and Islamic money market instruments. The reverse may apply when profit rates fall. In order

to mitigate profit rate risk, the external investment manager will need to manage the sukuk and Islamic money market instruments portfolio by taking into account the profit rate and time to maturity of the sukuk and Islamic money market instruments.

#### Shariah non-compliance risk

This is the risk of the Fund not conforming to Shariah Investment Guidelines. The Manager and EIM would be responsible for ensuring that the Fund is managed and administered in accordance with Shariah Investment Guidelines. Note that as the Fund can only invest in Shariah-compliant instruments, non-compliance may adversely affect the NAV of the Fund when the rectification of non-compliance results in losses.

#### Distribution out of capital risk

The Fund may distribute income out of its capital. The declaration and payment of distribution may have the effect of lowering the NAV of the Fund. In addition, distribution out of the Fund's capital may reduce part of the Unit Holders' original investment and may also result in reduced future returns to Unit Holders.

#### Islamic derivatives risk

Islamic derivatives, if any, will only be used for the purpose of hedging the Fund's portfolio from certain anticipated losses such as those resulting from unfavourable exchange rate movements. However, every hedge comes with a cost. In a move to mitigate the risk of uncertainty, the Fund is now exposed to the risk of opportunity loss. Once hedged, the Fund cannot take full advantage of favourable exchange rate movements. If the exposure which the Fund is hedging against makes money, the act of hedging would have typically reduced the potential returns of the Fund. On the other hand, if the exposure which the Fund is hedging against losses money, the act of hedging would have reduced the loss, if successfully hedged.

#### Counterparty risk

Counterparty risk refers to a risk that relates to the credit standing of counterparties when over-the-counter transactions are carried out and is generally not applicable to transactions performed through exchanges. In the event where counterparties of a contract fail to live up to its contractual obligations, the Fund will suffer from financial losses. The Fund seeks to reduce this risk by performing fundamental credit research and analysis to determine the creditworthiness of the counterparties, prior to commencement of the investment.

Should there be a downgrade in the credit rating of the over-the-counter Islamic derivatives' counterparty, the Manager will evaluate the situation and reassess the creditworthiness of the counterparty. The Manager will take the necessary steps in the best interest of the Fund.

#### Islamic structured products risk

The NAV of the Fund will be impacted by the valuation of the Islamic structured products that the Fund may invest in from time to time. Factors that may impact the valuation of the Islamic structured products include, but are not limited to the prevailing market price and volatility of the underlying reference asset(s), interest rate levels, time to maturity, foreign exchange rates, increased cost of hedging and/or associated unwinding costs in the event of an early redemption. Any change in the aforesaid factors would either positively or negatively impact the valuation of the Islamic structured products hence affecting the NAV of the Fund. As such, the Fund's NAV will be exposed to potential price volatility, which will be dependent on the valuation of the Islamic structured products that the Fund invested in. To mitigate Islamic structured products risk, the investment of the Fund in Islamic structured products will not exceed 10% of the Fund's NAV.

***Investors are reminded that the risks listed above may not be exhaustive and if necessary, they should consult their adviser(s), e.g. bankers, lawyers, Shariah advisers, stockbrokers or independent professional advisers for a better understanding of the risks.***

For more details, please refer to section 3.5 in the master prospectus (Shariah funds) for the general and specific risks of investing in the Fund.

**Note: If your investments are made through an institutional unit trust scheme adviser (“Distributor”) which adopts the nominee system of ownership, you would not be deemed to be a unit holder under the deed and as a result, your rights as an investor may be limited. Accordingly, the Manager will only recognize the Distributor as a unit holder of the Fund and the Distributor shall be entitled to all the rights conferred to it under the deed.**

## 7. Valuation of Investment

The Fund is valued once at the end of each business day. The daily price of the Fund for a particular business day will be published on the next day.

Investors will be able to obtain the unit price of the Fund from [www.maybank-am.com.my](http://www.maybank-am.com.my). Alternatively, the Manager’s client servicing personnel can be contacted at 03-2297 7888.

## 8. Exiting from Investment

Submission of Repurchase Request	The cut-off time for repurchase of units shall be at <b>4.00 p.m.</b> on a business day.  <i>Note: The Manager’s distributors may set an earlier cut-off time for receiving applications in respect of any dealing in units. Please check with the respective distributors for their respective cut-off time.</i>
Payment of Repurchase Proceeds	Repurchase proceeds will be paid out within seven (7) business days from the date the repurchase request is received by the Manager.
Remittance of Repurchase Proceeds	The Manager shall remit the repurchase proceeds to the account held in the name of the unit holder(s).

## 9. Fund Performance

Average total return of MMBI for the financial year ended 30 November

	1- Year	3- Year	5- Year	10- Year
MMBI (%)	(3.92)	0.87	0.36	2.30
Benchmark (%)	(3.85)	0.20	(0.19)	1.51

The average total return of the Fund is based on the following calculation:

$\text{Performance return} = \frac{\text{NAV } t - \text{NAV } t-1}{\text{NAV } t-1}$ $\text{Annualised performance return} = (1 + \text{performance return})^{\left(\frac{\text{number of period per year}}{\text{total no. of periods}}\right)} - 1$ <p>NAV t refers to NAV at the end of the period. NAV t-1 refers to NAV at the beginning of the period.</p>
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Annual total return for the financial years ended 30 November

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
MMBI (%)	(3.92)	(3.57)	10.77	5.20	(5.69)	4.60	0.64	(1.59)	6.48	11.76

Benchmark (%)	(3.85)	(2.70)	7.52	1.70	(3.19)	5.94	(1.85)	(1.57)	2.57	11.31
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The total return of the Fund is based on the following calculation:

Capital return =	$\frac{\text{NAV per unit at the end of the period}}{\text{NAV per unit at the beginning of the period}} - 1$
Income return =	$\frac{\text{Income distribution per unit}}{\text{NAV per unit on ex-date}}$
Total return =	$(1 + \text{Capital return}) \times (1 + \text{Income return}) - 1$

### 1-Year Fund performance review

The Fund registered a total return of -3.92% against its benchmark's return of -3.85%, thus underperformed the benchmark by 0.07%.

The benchmark was changed on 17 September 2017 from 50% of the FBM EMAS Shariah Index and 50% of the 12-month GIA rates of commercial banks to the current benchmark to better reflect the Fund's asset allocation and investment strategy. Prior to 17 September 2012, the benchmark was 60% of the FBM EMAS Shariah Index and 40% of the 12-month GIA rates of commercial banks; and prior to 17 November 2008, the benchmark was 65% of the FBM EMAS Shariah Index and 35% of the 12-month mudharabah deposit profit rate.

### Portfolio Turnover Ratio ("PTR") as at 30 November

	2022	2021	2020
PTR (times)	0.40*	0.48	0.76

\* The PTR is lower than the previous financial year due to decrease in trading activities during the period under review.

### Distribution as at 30 November

	2022	2021	2020
Gross distribution per unit (sen)	Nil	1.43	1.00
Net distribution per unit (sen)	Nil	1.43	1.00

Distribution was in the form of reinvestment.

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

## 10. Contact Information

I. For internal dispute resolution, you may contact:

#### **Clients Servicing Personnel**

Tel : 03-2297 7888  
 Fax : 03-2715 0071  
 Email : mamcs@maybank.com.my  
 Website : www.maybank-am.com

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):

- 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

**III.** You can also direct your complaint to the Securities Commission Malaysia (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 : 03-6204 8999
- b. via fax to : 03-6204 8991
- c. via email to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
- d. via the online complaint form available at [www.sc.com.my](http://www.sc.com.my)
- e. via letter to : Consumer & Investor Office  
Securities Commission Malaysia  
No 3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur

**IV.** Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:

- a. via phone to : 03-7890 4242
- b. via email to : [complaints@fimm.com.my](mailto:complaints@fimm.com.my)
- c. via the online complaint form available at [www.fimm.com.my](http://www.fimm.com.my)
- d. via letter to : Legal & Regulatory Affairs  
Federation of Investment Managers Malaysia  
19-06-1, 6<sup>th</sup> Floor, Wisma Tune  
No. 19, Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur