

Date of Issuance: 10 August 2020

**SHARIAH ONEPRS SCHEME
KENANGA SHARIAH ONEPRS GROWTH FUND
KENANGA SHARIAH ONEPRS MODERATE FUND
KENANGA SHARIAH ONEPRS CONSERVATIVE FUND**

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of Kenanga Investors 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 approved the Shariah OnePRS Scheme and authorised Kenanga Shariah OnePRS Growth Fund, Kenanga Shariah OnePRS Moderate Fund and Kenanga Shariah OnePRS Conservative Fund, and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The approval and authorisation, as well as the lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Shariah OnePRS Scheme or Kenanga Shariah OnePRS Growth Fund, Kenanga Shariah OnePRS Moderate Fund and Kenanga Shariah OnePRS Conservative 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 Kenanga Investors Berhad, the private retirement scheme provider responsible for the Shariah OnePRS Scheme and Kenanga Shariah OnePRS Growth Fund, Kenanga Shariah OnePRS Moderate Fund and Kenanga Shariah OnePRS Conservative 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.

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Kenanga Investors

SHARIAH ONEPRS SCHEME (“the SCHEME”)

This Product Highlights Sheet only highlights the key features and risks of this Shariah OnePRS Scheme and **Kenanga Shariah OnePRS Growth Fund, Kenanga Shariah OnePRS Moderate Fund and Kenanga Shariah OnePRS Conservative Fund**. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

1. What is the Shariah OnePRS Scheme (“Scheme”)?

The Scheme is a voluntary private retirement scheme managed by the PRS Provider (i.e. Kenanga Investors Berhad). The Scheme provides a choice of three (3) Core Funds* with different risk and return profiles to meet the needs of the members at different stages of their life.

** Core Funds refers to Kenanga Shariah OnePRS Growth Fund, Kenanga Shariah OnePRS Moderate Fund and Kenanga Shariah OnePRS Conservative Fund, which are collectively known as “Core Funds”.*

2. What are the benefits of contributing to the Scheme?

- Providing an easy platform for members to accumulate their retirement funds as well as to facilitate regular post retirement withdrawals from their Shariah OnePRS account with the PRS Provider.
- Encouraging the habit of regular contribution by members, helping them to save[^] for their retirement.
- Providing members the flexibility of receiving their post retirement withdrawals either as a lump-sum payment or through regular monthly withdrawals.

[^] **The Funds are neither capital guaranteed funds nor capital protected funds.**

3. Who am I investing in?

PRS Provider	Kenanga Investors Berhad
Scheme Trustee	CIMB Islamic Trustees Berhad
Shariah adviser	Kenanga Investment Bank Berhad

KEY PRODUCT FEATURES

4. How does the Scheme works?

The Scheme is designed to provide choices to the members in building their retirement funds.

Members can choose to contribute to any fund according to their risk and return profile.

If a member does not select a fund, the PRS Provider will allocate the members’ contributions into the prescribed Core Fund (default option) that corresponds to the age of the members as specified below:

Name of the Core Funds	Asset Allocation	Age Group*
Kenanga Shariah OnePRS Conservative Fund	Minimum 80% of the Fund’s Net Asset Value (“NAV”) in sukuk and Islamic money market instruments (with minimum 20% of the Fund’s NAV in Islamic money market instruments).	Members aged 50 years and above.
Kenanga Shariah OnePRS Moderate Fund	Maximum 60% of the Fund’s NAV in Shariah-compliant equities.	Members aged 40 years and above but have not reached 50 years.
Kenanga Shariah OnePRS Growth Fund	Maximum 70% of the Fund’s NAV in Shariah-complaint equities.	Members aged below 40 years.

*Note * - This age group may be subject to changes as may be determined by the relevant authorities from time to time.*

Notwithstanding the above, where a member under the default option makes the first contribution to the Scheme a month before the member attains the age of 40 or 50 years old as the case may be, the PRS Provider must allocate such contribution to the Kenanga Shariah OnePRS Moderate Fund or Kenanga Shariah OnePRS Conservative Fund as the case may be.

All contributions made by a member will be maintained in two separate sub-accounts by the PRS Provider as follows:

- (a) Sub-account A which is not available for pre-retirement withdrawal*; and
- (b) Sub-account B which would be available for pre-retirement withdrawal subject to payment of tax penalty of 8% (which is deducted by the PRS Provider) which is imposed by the Inland Revenue Board of Malaysia and also a Private Pension Administrator (“PPA”) pre-retirement withdrawal fee.

*Please note that request for full withdrawals (from both sub-account A and sub-account B) can be done in the following circumstances:

- (a) the member reaching the retirement age;
- (b) following the death of the member;
- (c) due to permanent departure of the member from Malaysia; or
- (d) due to permanent total disablement, serious disease or mental disability of the member.

Other information:

Cooling-off right	<p>Members are given one (1) cooling-off right when they make a contribution to the Scheme for the 1st time and are given a cooling-off period. The cooling-off period is 6 business days from the date of receipt of their 1st application by the PRS Provider. This cooling-off right is only given to a first time member registered with PPA who is investing with any PRS provider.</p> <p>After a member has requested for a refund within the cooling-off period, the member will receive the total refund as per cooling-off right within 10 calendar days upon receiving PPA’s authorization, subject to the clearance of the member’s cheque by the bank. Please note that this cooling-off right is not applicable to the following type of members:</p> <ul style="list-style-type: none"> • Staff of the PRS Provider; or • A person registered with a body approved by the Securities Commission Malaysia (“SC”) to deal in private retirement schemes.
Withdrawals	<p>(a) Withdrawal from the Scheme</p> <p>Request for withdrawal may be made in the following circumstances and as follows:</p> <ul style="list-style-type: none"> • After the day the Member reaches the retirement age, withdrawals may be made in partial or in full; • Prior to the Member reaching retirement age, withdrawals from sub-account B may be made in partial or in full; • Following the death of a Member (regardless of whether or not a nomination has been made), withdrawals may be made in partial or in full; • Permanent departure of a Member from Malaysia, only full withdrawals may be made; or • Withdrawals due to permanent total disablement, serious disease or mental disability, only full withdrawals may be made. <p>(b) Pre-retirement withdrawal from the Scheme</p> <ul style="list-style-type: none"> • Pre-retirement withdrawals from sub-account B can only be requested by a member after one (1) year has elapsed from the date of the first contribution to any fund within the Scheme. Subsequent pre-retirement withdrawals from sub-account B may be requested via an application to the PPA once every calendar year beginning with the calendar year immediately following the calendar year in which the first request for the pre-retirement withdrawals from sub-account B was made to one or more private retirement schemes (including the Scheme). Member cannot make pre-retirement withdrawals from sub-account B if the member has already made pre-retirement withdrawals from another private retirement scheme in the same year. • For pre-retirement withdrawals, the PRS Provider must obtain prior authorization from the PPA before issuing instructions to the Scheme Trustee (i.e. CIMB Islamic Trustees Berhad) to cancel units. Any redemption of units will be at a price that is the NAV per unit of the Fund as at the next valuation point after the PPA’s authorization is received by the PRS Provider. • The PRS Provider will deduct 8% tax penalty on the withdrawal amount which is imposed by the Inland Revenue Board of Malaysia for pre-retirement withdrawal from sub-account B before making payment to members. The tax penalty would not apply for pre-retirement withdrawals due to death, permanent departure of a member from Malaysia or permanent total disablement, serious disease or mental disability.

Switching	<p>Available between the Funds within the Scheme. There are no restrictions on the number of times a member can switch.</p> <p>Switching from Kenanga OnePRS Shariah Equity Fund to a conventional fund is discouraged for Muslim members.</p>
Transfer	<p>A member may redeem units of any Fund under the Scheme and transfer the proceeds of such redemption to another private retirement scheme (“PRS”) operated by another PRS provider prior to a member reaching the retirement age subject to the satisfaction of the following terms and conditions:</p> <p>(a) the request for transfer can only be made after one year has elapsed from the date of the first contribution to the Scheme by the member;</p> <p>(b) a request for transfer to another PRS operated by another PRS provider may only be made once every calendar year; and</p> <p>(c) all the proceeds from the redemption of units of a Fund may only be transferred to one (1) other fund of the PRS operated by another PRS provider.</p> <p>The transfer can be made in the following manner:</p> <p>(a) from one or more Funds of the PRS Provider to one or more funds of another PRS provider; or</p> <p>(b) be a consolidation of all units held in all private retirement schemes to one PRS. The consolidation is only possible if the member is also a member of all private retirement schemes for more than one year and provided that no transfer of units has been made by a member from a particular PRS provider in that calendar year.</p> <p>The transfer will be from sub-account A to another sub-account A or / and from sub-account B to another sub-account B.</p> <p>The PRS Provider shall pay the proceeds of such redemption to the other PRS provider by way of cheque or telegraphic transfer within 5 business days from the date the PRS Provider receives a completed transfer form from the PPA.</p> <p>A member is not allowed to transfer any units held by the member to any other person.</p>

5. What are the Core Funds under the Scheme?

Kenanga Shariah OnePRS Conservative Fund

Category	Core (Conservative)					
Investment Objective	<p>The Fund seeks income* whilst providing capital preservation**.</p> <p><i>Any material changes to the investment objective of the Fund would require members' approval.</i></p> <p>* Income distribution (if any) will be reinvested into the Fund.</p> <p>** The Fund is neither a capital guaranteed fund nor a capital protected fund. Therefore “capital preservation” does not mean that members' capital is guaranteed or protected.</p>					
Asset Allocation	<table border="1"> <tr> <td data-bbox="507 1547 855 1637">Sukuk and Islamic money market instruments:</td> <td data-bbox="855 1547 1466 1637">Minimum 80% of the Fund's NAV in sukuk and Islamic money market instruments (with minimum 20% of the Fund's NAV in Islamic money market instruments).</td> </tr> <tr> <td data-bbox="507 1637 855 1686">Shariah-compliant Equities:</td> <td data-bbox="855 1637 1466 1686">Maximum 20% of the Fund's NAV.</td> </tr> </table>	Sukuk and Islamic money market instruments:	Minimum 80% of the Fund's NAV in sukuk and Islamic money market instruments (with minimum 20% of the Fund's NAV in Islamic money market instruments).	Shariah-compliant Equities:	Maximum 20% of the Fund's NAV.	
Sukuk and Islamic money market instruments:	Minimum 80% of the Fund's NAV in sukuk and Islamic money market instruments (with minimum 20% of the Fund's NAV in Islamic money market instruments).					
Shariah-compliant Equities:	Maximum 20% of the Fund's NAV.					
Investment Policy and Strategy	<p>The Fund seeks to achieve its objective by investing a minimum of 80% of the Fund's NAV in sukuk and Islamic money market instruments, of which 20% of the Fund's NAV must be in Islamic money market instruments.</p> <p>The Fund may also invest in Shariah-compliant equities, which are limited to a maximum of 20% of the Fund's NAV.</p> <p>The sukuk invested by the Fund will have a minimum rating of “investment grade” (i.e. BBB3) as rated by RAM Rating Services Berhad (“RAM”) or equivalent rating by Malaysian Rating Corporation Berhad (“MARC”).</p> <p>The portfolio may consist of government investment issue (GII), Cagamas sukuk, Bank Negara Malaysia monetary notes-i, Malaysian Islamic treasury bills, sukuk, Islamic accepted bills and Islamic negotiable instruments.</p> <p>The Fund will employ both top-down and bottom-up approach to evaluate its investments in</p>					

	<p>Shariah-compliant equities and sukuk.</p> <p>In the top-down approach, the fund manager will evaluate the global growth and economic outlook in Malaysia.</p> <p>In the bottom-up strategy, the fund manager will rely on fundamental research where the financial health, industry prospects, management quality and past track records of the companies are considered.</p> <p>The trading of both the Shariah-compliant equities and sukuk will be based on the market conditions and also the judgement of the fund manager and also guided by the internal policies of the PRS Provider and the investment committee of the PRS Provider.</p> <p>However, at the launch of the Fund, the Kenanga Shariah OnePRS Conservative Fund aims to meet its objective and asset allocation by investing a minimum of 80% of the Fund's NAV in any one Shariah-compliant collective investment scheme(s) managed by the PRS Provider that is in line with the Fund's asset allocation. Such investment shall be for a period of five (5) years from the launch of the Fund or upon the Fund reaching RM200 million NAV (whichever is earlier).</p>
Performance Benchmark	<p>A composite of Maybank 1-Month GIA rate (80%) and FBM EMAS Shariah Index (20%). The composition of the benchmark is reflective of asset allocation of the Fund. It is a statistical measure of its overall performance over time.</p> <p><i>Please note that the risk profile of the Fund is not the same as the risk profile of the performance benchmark.</i></p>
Members' Profile	<p>This Fund is suitable for members who</p> <ul style="list-style-type: none"> • Seek capital preservation** of the invested capital; • Have low tolerance of investment risks; and • Seek to invest in a Shariah-compliant investment. <p>For members under the default option who are 50 years old and above, their contributions will be allocated into this Fund.</p> <p>** The Fund is neither a capital guaranteed fund nor a capital protected fund. Therefore "capital preservation" does not mean that members' capital is guaranteed or protected.</p> <p><i>Note: Where a member under the default option makes the first contribution to the Scheme a month before the member attains the age of 50 years old, the member's contribution will be allocated into this Fund.</i></p>

Kenanga Shariah OnePRS Moderate Fund

Category	Core (Moderate)					
Investment Objective	<p>The Fund aims to provide income* and capital growth over the long-term through investments in Shariah-compliant equities and sukuk.</p> <p><i>Any material changes to the investment objective of the Fund would require members' approval.</i></p> <p>* Income distribution (if any) will be reinvested into the Fund.</p>					
Asset Allocation	<table border="1"> <tr> <td>Shariah-compliant Equities</td> <td>Maximum 60% of the Fund's NAV</td> </tr> <tr> <td>Sukuk and Islamic money market instruments</td> <td>At least 40% of the Fund's NAV</td> </tr> </table>		Shariah-compliant Equities	Maximum 60% of the Fund's NAV	Sukuk and Islamic money market instruments	At least 40% of the Fund's NAV
Shariah-compliant Equities	Maximum 60% of the Fund's NAV					
Sukuk and Islamic money market instruments	At least 40% of the Fund's NAV					
Investment Policy and Strategy	<p>The Fund seeks to achieve its objective by investing a maximum of 60% of the Fund's NAV in Shariah-compliant equities and at least 40% of the Fund's NAV in sukuk and Islamic money market instruments; which include foreign exposure in Asia Pacific ex-Japan.</p> <p>The sukuk invested by the Fund will have a minimum rating of "investment grade" (i.e. BBB3) as rated by RAM or equivalent rating by MARC.</p> <p>The portfolio may consist of government investment issue (GII), Cagamas sukuk, Bank Negara Malaysia monetary notes-i, Malaysian Islamic treasury bills, sukuk, Islamic accepted bills and Islamic negotiable instruments.</p> <p>The Shariah-compliant equities portion will consist of a mixture of both growth and dividend Shariah-compliant stocks.</p>					

	<p>The Fund will employ both top-down and bottom-up approach to evaluate its investments in Shariah-compliant equities and sukuk.</p> <p>In the top-down approach, the fund manager will evaluate the global growth and economic outlook of Malaysia.</p> <p>In the bottom-up strategy, the fund manager will rely on fundamental research where the financial health, industry prospects, management quality and past track records of the companies are considered.</p> <p>The trading of both the Shariah-compliant equities and sukuk will be based on the market conditions and also the judgement of the fund manager and also guided by the internal policies of the PRS Provider and the investment committee of the PRS Provider.</p> <p>However, at the launch of the Fund, the Kenanga Shariah OnePRS Moderate Fund aims to meet its objective and asset allocation by investing up to 60% of the Fund's NAV in any one collective investment scheme(s) managed by the PRS Provider that is in line with the Fund's asset allocation. Such investment shall be for a period of five (5) years from the launch of the Fund or upon the Fund reaching RM200 million NAV (whichever is earlier).</p>
Performance Benchmark	<p>A composite of Maybank 1-Month GIA rate (40%), FBM EMAS Shariah Index (45%) and Dow Jones Islamic Market Asia Pacific ex-Japan Index (15%). The composition of the benchmark is reflective of asset allocation of the Fund. It is a statistical measure of its overall performance over time.</p> <p><i>Please note that the risk profile of the Fund is not the same as the risk profile of the performance benchmark.</i></p>
Members' Profile	<p>This Fund is suitable for members who</p> <ul style="list-style-type: none"> • Seek capital appreciation; • Have low to moderate risk tolerance and can withstand short-term volatility; and • Seek to invest in a Shariah-compliant investment. <p>For members under the default option who have attained the age of forty (40) years but are not yet fifty (50) years old, their contributions will be allocated into this Fund.</p> <p><i>Note: Where a member under the default option makes the first contribution to the Scheme a month before the member attains the age of 40 or 50 years old as the case may be, the member's contribution will be allocated into the Kenanga Shariah OnePRS Moderate Fund.</i></p>

Kenanga Shariah OnePRS Growth Fund

Category	Core (Growth)					
Investment Objective	<p>The Fund aims to provide capital growth over the long-term through investments in Shariah-compliant equities and sukuk.</p> <p><i>Any material changes to the investment objective of the Fund would require members' approval.</i></p>					
Asset Allocation	<table border="1"> <tr> <td>Shariah-compliant Equities</td> <td>Maximum 70% of the Fund's NAV</td> </tr> <tr> <td>Sukuk and Islamic money market instruments</td> <td>At least 30% of the Fund's NAV</td> </tr> </table>		Shariah-compliant Equities	Maximum 70% of the Fund's NAV	Sukuk and Islamic money market instruments	At least 30% of the Fund's NAV
Shariah-compliant Equities	Maximum 70% of the Fund's NAV					
Sukuk and Islamic money market instruments	At least 30% of the Fund's NAV					
Investment Policy and Strategy	<p>The Fund seeks to achieve its objective by investing a maximum of 70% of the Fund's NAV in Shariah-compliant equities and at least 30% of the Fund's NAV in sukuk and Islamic money market instruments; which include foreign exposure in Asia Pacific ex-Japan.</p> <p>The sukuk invested by the Fund will have a minimum rating of "investment grade" (i.e. BBB3) as rated by RAM or equivalent rating by MARC.</p> <p>The portfolio may consist of government investment issue (GII), Cagamas sukuk, Bank Negara Malaysia monetary notes-i, Malaysian Islamic treasury bills, sukuk, Islamic accepted bills and Islamic negotiable instruments.</p> <p>The Shariah-compliant equities portion will consist of a mixture of both growth and dividend Shariah-compliant stocks.</p> <p>The Fund will employ both top-down and bottom-up approach to evaluate its investments in Shariah-compliant equities and sukuk.</p> <p>In the top-down approach, the fund manager will evaluate the global growth and economic outlook of Malaysia.</p>					

	<p>In the bottom-up strategy, the fund manager will rely on fundamental research where the financial health, industry prospects, management quality and past track records of the companies are considered.</p> <p>The trading of both the equities and fixed income instruments will be based on the market conditions and also the judgement of the fund manager and also guided by the internal policies of the PRS Provider and the investment committee of the PRS Provider.</p> <p>However, at the launch of the Fund, the Kenanga Shariah OnePRS Growth Fund aims to meet its objective and asset allocation by investing up to 70% of the Fund's NAV in any one collective investment scheme(s) managed by the PRS Provider that is in line with the Fund's asset allocation. Such investment shall be for a period of five (5) years from the launch of the Fund or upon the Fund reaching RM200 million NAV (whichever is earlier).</p>
Performance Benchmark	<p>A composite of 1-Month GIA rate (30%), FBM EMAS Shariah Index (50%) and Dow Jones Islamic Market Asia Pacific ex-Japan Index (20%). The composition of the benchmark is reflective of asset allocation of the Fund. It is a statistical measure of its overall performance over time.</p> <p><i>Please note that the risk profile of the Fund is not the same as the risk profile of the performance benchmark.</i></p>
Members' Profile	<p>This Fund is suitable for members who</p> <ul style="list-style-type: none"> • Seek capital appreciation; • Have moderate risk tolerance and can withstand short-term volatility; and • Seek to invest in a Shariah-compliant investment. <p>For members under the default option who are below the age of 40 years, their contributions will be allocated into this Fund.</p> <p><i>Note: Where a member under the default option makes the first contribution to the Scheme a month before the member attains the age of 40 years old, the member's contribution will be allocated into the Kenanga Shariah OnePRS Moderate Fund instead.</i></p>

KEY RISKS

6. What are the risks?

Members are advised to read the disclosure documents and understand the risks involved and if necessary, consult a professional adviser for a better understanding of the risks before investing.

General Investment Risks

Capital and returns not guaranteed risk	The Funds are neither capital guaranteed funds nor capital protected funds. As such, the capital and returns of the Funds are not guaranteed as market price of investments owned by the Funds may go down or up and members may sustain a loss to the value of the units of the Funds.
Risks associated with default option	Where the member is in the default option, the member's investments will be automatically switched into the Core Fund that corresponds to the age of the members upon attaining the relevant age group. However, the NAV per unit (of the Core Fund in which the member is currently invested) at the point of switching may be lower than the NAV per unit when the member initially contributed into the Core Fund. Hence, the member may have to suffer losses upon switching out from the Core Fund in which the member is currently invested. However, the PRS Provider will notify the member 1 month before the member attains the minimum age of the next age group as specified in the Guidelines on Private Retirement Schemes issued by the SC ("Guidelines"), that the member's current investments will be automatically switched into another Core Fund. As such, members can still have the option to stay on with the particular Core Fund before their contributions are switched.
Legal and regulatory risk	The investments of the Fund would be exposed to changes in the laws and regulations made by the government and regulatory bodies. There is a risk that the laws and guidelines relating to private retirement schemes may change and this may affect members' Shariah OnePRS account and/or their ability to access their units in the account. Furthermore, changes in the guidelines may also have an impact on the Fund. For example, the asset allocation of the Core Funds may be changed by the fund manager due to changes to the Guidelines in relation to the asset allocation of the Core Funds. Such changes may change the risk profile of the Fund.

Market risk	The NAV of the Fund may go down or up due to factors affecting the local and global financial markets such as changes to the economic (e.g. interest rates, inflation and exchange rates), political and regulatory environments as well as external shocks such as war and natural disasters. All these may result in uncertainties and fluctuations in the price of the underlying Shariah-compliant securities of the Funds' investment portfolio.
Inflation risk	This is the risk that the members' contribution to the Fund may not keep pace with inflation. When this happens, the member's purchasing power would be reduced even though the value of the member's Shariah OnePRS account in monetary terms has increased.
PRS Provider risk	The Funds are managed by the investment management team of the PRS Provider. Any lack of expertise and experience of the investment management team may result in poor performance of the Funds.
Risk of non-compliance	The operations and administration of the Funds by the PRS Provider are governed by the Deed, all applicable laws, regulations and internal policies and procedures. The breakdown in the PRS Provider's prescribed practices and internal policies and procedures may lead to non-compliance. The breakdown may be the outcome of system failures or human error. The magnitude of such risk and its impact on the Fund and/or members are dependent on the nature and severity of the non-compliance. However, this risk can be mitigated by internal controls put in place by the PRS Provider.

Specific Risks related to the Fund

	Kenanga Shariah OnePRS Growth Fund	Kenanga Shariah OnePRS Moderate Fund	Kenanga Shariah OnePRS Conservative Fund
<p>Interest rate risk</p> <p>This refers to the effect of interest rate changes on the valuation of a sukuk, which the Fund invests in. In the event of rising interest rates, valuation of sukuk may decline and vice versa. As such, a Fund that has more exposure to sukuk in its portfolio will be affected more by the changes in interest rates as compared to other Funds with less exposure to sukuk.</p> <p>Sukuk with longer maturity and lower profit rate are more sensitive to interest rate changes. This risk can be mitigated by managing the duration* of the sukuk portfolio via shorter or longer tenured sukuk depending on the PRS Provider's view of the future interest rate trend, which is based on its continuous fundamental research and analysis.</p> <p>Interest rate, such as the Overnight Policy Rate set by Bank Negara Malaysia, will have an impact on the investment decisions of the Funds regardless of whether it is a Shariah-compliant fund or otherwise. It does not in any way suggest that the Funds will invest in conventional financial instruments.</p> <p>* Duration is a measure of how sensitive is the valuation of a sukuk to a change in interest rates, expressed as a number of years.</p>	√	√	√
<p>Liquidity risk</p> <p>Liquidity risk refers to the possibility that a Shariah-compliant security may be sold at an unfavourable price, as there may not be a buyer, or sufficient buyers, available for the Shariah-compliant security. This, in turn, will adversely affect the NAV of the Fund. The risk can be mitigated through the process of Shariah-compliant security selection and portfolio diversification.</p>	√	√	√
<p>Default and Counterparty risk</p> <p>This refers to the counterparty or issuer not fulfilling its contractual obligations. For example, the counterparty's or issuer's non-payment or untimely payment of the principal and/or profit will subsequently lead to the reduction of the</p>	√	√	√

<p>NAV of the Fund; which in turn will affect the performance of the Fund. The PRS Provider may need to perform fundamental research and analysis to determine the creditworthiness of its counterparties or issuers. The PRS Provider will have to also diversify its investments in the portfolio by limiting its exposure on each of its counterparties.</p>			
<p>Stock-specific risk The price of each individual Shariah-compliant stock that the Fund invests in may decline for a number of reasons such as the management performance, financial position and reduced demand for the company's goods and services. Any adverse price movements of such stock will adversely affect the Fund's NAV. This risk is mitigated through portfolio diversification by investing in various companies across different industries or sectors in the management of the Fund.</p>	√	√	√
<p>Collective Investment Scheme risk The Funds may invest substantially into Shariah-compliant collective investment schemes managed by the PRS Provider at the launch of the Funds. As such, the Funds are subject to the risks faced by the respective Shariah-compliant collective investment schemes. For example, the performance of the Fund is dependent solely on the performance of the Shariah-compliant collective investment scheme(s). As such the Fund is exposed to the price fluctuations of the Shariah-compliant securities that the Shariah-compliant collective investment scheme(s) invest(s) in. Furthermore, in the situation where the Shariah-compliant collective investment scheme(s) has insufficient liquidity to meet large and frequent redemptions made by other unit holders of the Shariah-compliant collective investment scheme(s), the fund managers of the Shariah-compliant collective investment scheme(s) may be forced to sell large volumes of the Shariah-compliant collective investment scheme(s)'s portfolio at unfavourable prices to meet such requests.</p>	√	√	√
<p>Currency risk This risk is associated with investments denominated in foreign currency; in this case the Fund may be exposed to currency risk. Any gains or losses arising from the movement of the foreign currencies may therefore affect the value of investment as expressed in the base currency in addition to the capital gains or losses of such investment; which in turn will impact the value of the Fund. The PRS Provider shall manage this risk by hedging the foreign currency exposure when it is deemed necessary. However, when the PRS Provider hedges the foreign currency exposure, members will not be able to enjoy any upside from the foreign currency appreciation.</p>	√	√	Not applicable
<p>Reclassification of Shariah status risk The Shariah-compliant securities in the portfolio of the Funds may be reclassified as Shariah non-compliant in the periodic review of the securities by the SACSC, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. In the event of such occurrence, the PRS Provider will take the necessary steps to dispose of such securities and the value of the Fund may be adversely affected if the Shariah non-compliant equities are disposed at a price lower than the investment cost. On the other hand, 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 securities. Please refer to item 2(b) in section 6.10 of the Disclosure Document on the treatment of gains and losses as a result of the reclassification of Shariah non-compliant securities.</p>	√	√	√

FEES AND 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 Scheme.

What will I be charged by Kenanga Investors Berhad

	Kenanga Shariah OnePRS Growth Fund	Kenanga Shariah OnePRS Moderate Fund	Kenanga Shariah OnePRS Conservative Fund
Sales Charge (for initial and subsequent contribution)	Up to 1.50% of NAV per unit of the Fund.		
Redemption Charge	Nil.		
Switching Fee (between Funds in this Scheme or funds in another PRS managed by the PRS Provider)	Nil.		
Other Charges	There are no other charges (except charges levied by banks on remittance of money) payable directly by investors when purchasing or redeeming units of the Fund.		

What will I be charged by the Private Pension Administrator (PPA)?

	Kenanga Shariah OnePRS Growth Fund	Kenanga Shariah OnePRS Moderate Fund	Kenanga Shariah OnePRS Conservative Fund
PPA account opening fee	RM10 (one-off)		
PPA annual fee	RM8. Not payable for the year the account is opened and not payable for the year(s) where no contributions are made.		
PPA pre-retirement withdrawal fee	RM25 per transactions.		
PPA transfer fee (to another PRS Provider)	RM25 per transactions.		

What are the key ongoing charges to a Fund?

	Kenanga Shariah OnePRS Growth Fund	Kenanga Shariah OnePRS Moderate Fund	Kenanga Shariah OnePRS Conservative Fund
Annual Management fee	Up to 1.55% per annum of the NAV of the Fund.		
Annual Trustee fee	0.02% per annum of the Fund's NAV or a minimum fee of RM6,000 per annum per Fund.		
PPA Administration fee	0.04% per annum of the NAV of the Fund		

Example

Assuming the amount you have in your account for a particular fund is RM50,000, the fees that will be deducted on a daily basis are as follows:

Management fee : $(RM50,000 \times 1.50\%) / 365 = RM2.05$

Trustee fee : $(RM50,000 \times 0.02\%) / 365 = RM0.03$

PPA Administrative fee : $(RM50,000 \times 0.04\%) / 365 = RM0.05$.

You can also compare the fees and charges of other private retirement schemes by visiting the PPA's website, www.ppa.my.

All fees and charges payable to the Provider, the Trustee and PPA are subject to goods and services tax/ sales and services tax/ other taxes of similar nature as may be imposed by the government or other authorities from time to time.

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

8. How will I be notified of any increase in fees and charges?

The annual management fee and annual scheme trustee fee may be increased. A supplementary or replacement disclosure document disclosing the annual management fee and annual scheme trustee fee will be issued should the fees be increased. A notice period of 90 days will be given to the members prior to the effective date of the new fees and charges, which is in accordance with the Guidelines as may be amended and/or updated from time to time.

9. What taxes apply?

- i) Members who made contribution to the Funds are allowed to claim for a tax relief of up to RM3,000 per year.
- ii) For corporations who are contributing to the private retirement scheme for their employees, the corporations also enjoy tax deduction of up to 19% of the employee's (to which contribution has been made) remuneration.
- iii) Withdrawals prior to retirement from sub-account B will be subject to the 8% tax penalty.
- iv) After reaching the retirement age, death, or permanent departure from Malaysia, permanent total disablement, serious disease or mental disability of the Member, withdrawals will not be subject to any tax.

10. How can I keep track of my contribution?

- Valuations are valued daily. The NAV per unit will be published at www.kenangainvestors.com.my.
- Monday's price will be available on Tuesday morning. As such, if you make a contribution on Monday, you will only know the number of units to be credited into your account on Tuesday.
- A consolidated statement of account from the PPA and the interim and annual reports of the Fund will also be sent to you.

Note: Unit prices and distributions, if any, may go down as well as up.

11. How do I start contributing?

Account opening

- If you have not invested into a private retirement scheme before, you will need to fill up a private pension account opening form, which can be provided by us or you can also download from the PPA website.
- Subsequent to that, you are also required to fill up an account opening form of Kenanga Investors Berhad, accompanied by a photocopy of your identity card or passport.
- The account opening form should be submitted to our offices.

Contribution

- Contribution can be made by completing the transaction form provided by us. The transaction form is obtainable at our head office or regional office as listed in Section 18 in the disclosure document of Shariah OnePRS Scheme.
- The completed transaction form can be handed directly to any of our offices and / or designated distributors.
- Payments must be made via cheques or bank drafts, payable to Kenanga Investors Berhad.

Minimum initial and subsequent contributions

Minimum initial contribution: *RM1,000*

Minimum subsequent contribution: *RM100*

Note: It is important to understand what you are contributing into. Please read the Scheme's disclosure document before deciding to make a contribution. If in doubt, consult a professional adviser.

FUND PERFORMANCE**Average Total Returns**

The basis of calculating the average total returns is by calculating the growth of the NAV of the Fund at the start point against the NAV of the Fund at the end point of the calculation of 1 year, 3 years and since inception. We take into account and factor in all the distributions and unit splits into the NAV of the Fund for the purposes of the calculations.

	1 Year 31/05/19 - 31/05/20 (%)	3 Years 31/05/17 - 31/05/20 (%)	Since Inception 18/08/16 - 31/05/20 (%)
Kenanga Shariah OnePRS Growth Fund	5.01	2.29	2.60
Benchmark	7.01	3.25	4.30
Kenanga Shariah OnePRS Moderate Fund	5.13	2.38	2.80
Benchmark	6.07	3.02	3.92
Kenanga Shariah OnePRS Conservative Fund	3.89	2.42	2.45
Benchmark	2.84	2.49	2.83

Source: Lipper IM

Annual Total Return

	Since Inception 18/08/16 - 31/05/17 (%)	1 Year 31/05/17 - 31/05/18 (%)	1 Year 31/05/18 - 31/05/19 (%)	1 Year 31/05/19 - 31/05/20 (%)
Kenanga Shariah OnePRS Growth Fund	2.84	-2.10	2.70	5.01
Benchmark	6.24	2.75	-0.80	7.01
Kenanga Shariah OnePRS Moderate Fund	3.34	-1.80	2.92	5.13
Benchmark	5.49	2.46	-0.04	6.07
Kenanga Shariah OnePRS Conservative Fund	1.96	0.24	3.07	3.89
Benchmark	3.12	2.10	2.53	2.84

Source: Lipper IM

1-Year Fund Performance Review**Kenanga Shariah OnePRS Growth Fund:**

The Fund appreciated 5.01%, thus underperforming the 7.01% increase in the composite benchmark's performance. The underperformance was mainly due to stock selection in Kenanga Syariah Growth Fund (KSGF).

Kenanga Shariah OnePRS Moderate Fund:

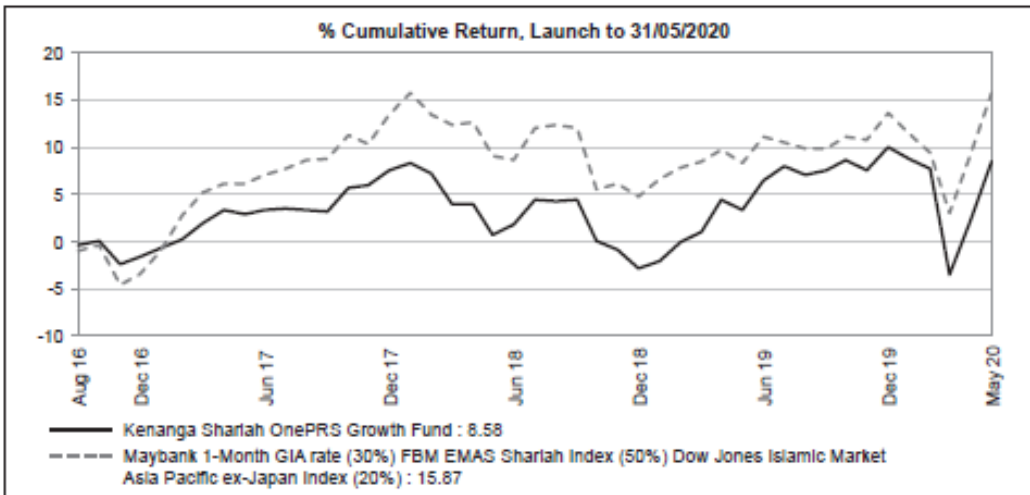
The Fund appreciated 5.13%, underperforming the 6.07% increase in its benchmark's performance. This was mainly due to stock picking within Kenanga Syariah Growth Fund (KSGF).

Kenanga Shariah OnePRS Conservative Fund:

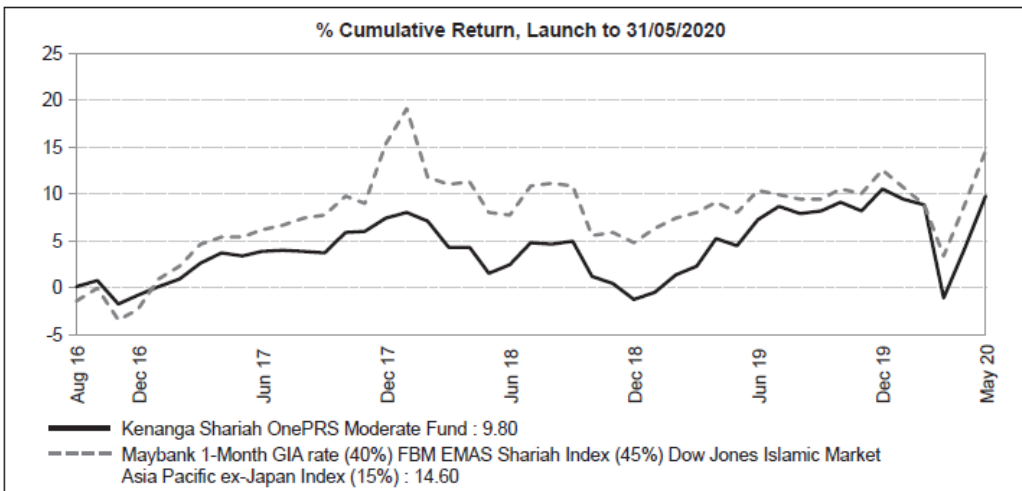
The Fund registered a return of 3.89% against its benchmark composite return of 2.84%, outperforming its benchmark by 105 basis points (bps). The outperformance was mainly due to stock selection in Kenanga Syariah Growth Fund (KSGF) as well as investment in sukuk via Kenanga Bon Islam Fund (KBIF) as the local bond/sukuk market rallied across the board following consecutive interest rate cuts by Bank Negara Malaysia during the financial year under review.

Performance Chart Since Inception

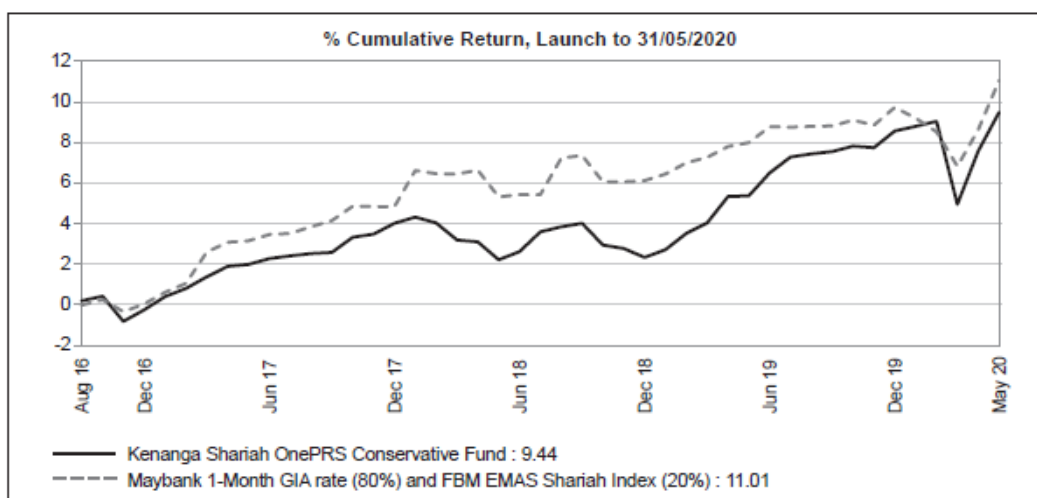
a) Kenanga Shariah OnePRS Growth Fund



b) Kenanga Shariah OnePRS Moderate Fund



c) Kenanga Shariah OnePRS Conservative Fund



Source: Novagni Analytics and Advisory

Portfolio Turnover Ratio (PTR) and Management Expense Ratio (MER)

	Financial Year Ended 31 May								
	Kenanga Shariah OnePRS Growth Fund			Kenanga Shariah OnePRS Moderate Fund			Kenanga Shariah OnePRS Conservative Fund		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
PTR (times)	0.38	0.46	0.46	0.47	0.44	0.40	0.96	0.61	0.11
MER (%)	-	-	-	-	-	-	-	-	-

Explanation of significant change in the PTR

- Kenanga Shariah OnePRS Growth Fund:** PTR is lower for the financial year under review due to lesser trading activities.
- Kenanga Shariah OnePRS Moderate Fund:** PTR for the financial year under review increased due to increased trading activities.
- Kenanga Shariah OnePRS Conservative Fund:** PTR for the financial year under review increased due to increased trading activities.

Explanation of significant change in the MER

- Kenanga Shariah OnePRS Growth Fund:** MER for the financial year under review is nil as the expenses of the Fund is borne by the PRS Provider.
- Kenanga Shariah OnePRS Moderate Fund:** MER for the financial year under review is nil as the expenses of the Fund is borne by the PRS Provider.
- Kenanga Shariah OnePRS Conservative Fund:** MER for the financial year under review is nil as the expenses of the Fund is borne by the PRS Provider.

Distribution

	Year Ended 31 May 2020	Year Ended 31 May 2019	Year Ended 31 May 2018
Kenanga Shariah OnePRS Growth Fund	No distribution has been made during the period.	No distribution has been made during the period.	No distribution has been made during the period.
Kenanga Shariah OnePRS Moderate Fund	No distribution has been made during the period.	No distribution has been made during the period.	No distribution has been made during the period.
Kenanga Shariah OnePRS Conservative Fund	No distribution has been made during the period.	No distribution has been made during the period.	No distribution has been made during the period.

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

CONTACT INFORMATION

Who do I contact for further information or to lodge a complaint?

1. For internal dispute resolution, you may contact:

Kenanga Investors Berhad 199501024358 (353563-P)
Level 13, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur

- (a) General Line No : 03-2172 3123
- (b) Facsimile No : 03-2172 3133
- (c) Customer Service Toll Free No : 1-800 88 1PRS (1777)
- (d) Website : www.kenangainvestors.com.my
- (e) Email : OnePRS@kenanga.com.my

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

3. You can 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 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 : 03-2092 3800
- (b) via fax to : 03-2093 2700
- (c) via email 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	Means a day on which the Bursa Malaysia is open for trading.
Management Expense Ratio (MER)	$\frac{\text{Total annual expenses incurred by the Fund}}{\text{Average NAV of the Fund calculated on daily basis}} \times 100$ <p>This ratio will inform you of the total expenses incurred by the Fund during the year as compared to its average NAV. Total expenses include management fee, trustee fee and expenses incurred for fund administrative services. A low MER indicates the effectiveness of the Manager in managing the expenses of the Fund.</p>
Member	An individual who has a private pension account and holds Units in any one or more Funds.
Net Asset Value (NAV)	Means the total value of the Fund's assets minus its liabilities at the valuation point. In computing the annual management fee and annual trustee fee, the NAV of the Fund should include the management fee and the trustee fee for the relevant day.
NAV per Unit	Means the NAV of the Fund divided by its total number of units in circulation.
Portfolio Turnover Ratio (PTR)	<p>Refers to the measure of trading activity or how frequently assets within a fund are bought and sold by the Manager. A fund with a 0.5 times portfolio turnover ratio, for example, replaces half of its holdings during the period under review. A fund with a high portfolio turnover rate will typically incur more transaction costs than one with a low portfolio turnover rate.</p> <p>The computation of PTR is as follows :</p> $\text{PTR} = \frac{(\text{Total acquisitions of the Fund} + \text{Total disposals of the Fund}) / 2}{\text{Average NAV of the Fund calculated on a daily basis}}$
PPA	Private Pension Administrator.
Scheme	Shariah OnePRS Scheme.
Sub-account A	Refers to a sub-account maintained by the PRS Provider for each Member which holds 70% of all contributions made to any Fund under the Scheme which is reflected in Units.
Sub-account B	Refers to a sub-account maintained by the PRS Provider for each Member which holds 30% of all contributions made to any Fund under the Scheme which is reflected in Units.
Units/Unit	In relation to a Fund under the Scheme, means an undivided share in the beneficial interest and/or right in a Fund and a measurement of the right and/or interest of a Member in the Fund and means a unit of the Fund.