

INTERIM REPORT

For The Half Year Ended
15th October 2021

MIDF AMANAH ASSET MANAGEMENT BERHAD

Level 3A, Menara MIDF
82, Jalan Raja Chulan
50200 Kuala Lumpur

15th October 2021

Dear Unit Holders:

FUND CATEGORY AND TYPE

Fund Category	Equity
Fund Type	Income and Growth

ASSET ALLOCATION AS AT 15 OCTOBER 2021

Shariah-Compliant Equities	78.40%
Islamic Money Market Instruments and Others	21.60%

PERFORMANCE OF THE FUND

MIDF Amanah Growth Fund ("MAGF")	15/10/2021	15/04/2021	%
Net Asset Value ("NAV") (RM)	7,315,420	7,328,815	-0.18
NAV per Unit (RM)	0.5254	0.5132	2.38
FBM Hijrah Shariah ("FBMHS")	13,298.06	13,842.18	-3.93

* Note: Effective 1 June 2018, FBMHS has been identified as the new benchmark for MAGF subsequent to its conversion from a conventional fund to a Shariah-compliant fund.

For the six months financial period ended 15 October 2021, the NAV per unit of MIDF Amanah Growth Fund increased by 2.38% while the FBMHS declined by -3.93%.

The key objective of MAGF is to achieve long-term capital growth through investments in large, well established companies. For the period under review, the Fund has achieved its capital growth objective and outperformed the benchmark by +6.31%.

The FBMHS index has been identified as the benchmark for MAGF as it is the closest comparable index.

The outperformance was largely due to the fund's over weightage in some benchmark stocks particularly Technology, Plantation and Energy names and the right stock picks in certain cyclical sectors which benefitted from the country's economic reopening theme including Transportation and Logistic as well as Consumer stocks.

EQUITY MARKET REVIEW

Global equity markets advanced in April 2021 with developed market equities posted a return of +4.7%, and continued its upward trajectory since the start of the year as major countries making their way to recovery given vaccination programs starting to pick up progressively. Investors also reacted positively to the news of the decent US' first quarter Gross Domestic Product ("GDP") growth of 6.4%. Indices across the globe ended the month higher with Morgan Stanley Capital International ("MSCI") World, MSCI Europe, MSCI ASEAN, MSCI Emerging Markets and MSCI Asia Pacific gained returns of +4.52%, +1.64%, +0.94%, +2.37% and +1.37% respectively.

The strong performance of global equity markets continued in May 2021 as vaccine progress becoming more apparent in many countries. However, some countries including Malaysia experienced a spike in Covid-19 infections leading to fears on potential halting in its economic recovery. Investors are concerned over the stronger-than-expected economic rebound from the Covid-19 pandemic particularly coming from the developed countries which may cause higher inflation and tightening monetary policy to happen sooner than anticipated. MSCI World, MSCI Europe and MSCI Asia Pacific gained +1.26%, +2.12% and +1.30% respectively over the month, while MSCI ASEAN dropped -0.32%. The MSCI Emerging Markets posted a return of +2.12% in May and the developed market equities gained +1.5%.

Halfway through 2021, the bullish sentiment continued with the global equities markets rallied during the second quarter of 2021, extending the positive momentum for a fifth consecutive quarter. The positive gains were mainly supported by the accelerating rollout of Covid-19 vaccines prominently in developed economies. The MSCI World, MSCI Emerging Market, MSCI Asia Pacific recorded gains of +7.31%, +4.42% and +2.16% respectively quarter-on-quarter ("QoQ") while MSCI ASEAN posted a negative return of -2.76% QoQ. The quarter also saw the markets shifted towards growth stocks over value stocks with the former gained +10.64%, outperforming the latter which registered returns of +4.09%. The strengthening in energy prices and optimism for global economic recovery had driven up commodity prices, with crude oil prices increased +18%.

In July, while the vaccine rollouts making a steady progress and restrictions on activity being eased further in several major developed markets, the underlying global market sentiment was in a cautious mode as the spread of the more contagious Delta variant of Covid-19 raised concerns that the path to normality may be slower than previously expected. Emerging market equities continued to lag developed market peers in July mainly led by weakness in Chinese stock market, registering a negative return of -7.04% while developed market equities registered a positive return of +0.70%. MSCI World and MSCI Europe gained +1.72% and +1.78% respectively over the month, while MSCI Asia Pacific and MSCI ASEAN fell by -5.13% and -3.42% respectively.

Nevertheless, investors brushed off the Covid-19 concern with equity markets worldwide ended in positive territory in August, on the back of robust economic data and improved Covid-19 vaccination levels. Nations across the world are moving from pandemic to endemic and now encouraging / managing people's expectations to embrace transition to new normal and learn to live with the virus. Indices across the globe ended the month higher with MSCI World, MSCI Emerging Markets,

MSCI Asia Pacific, and MSCI ASEAN gained by as much as +2.35%, +2.42%, +2.27%, +2.37% and +5.51% respectively.

The third quarter of 2021 saw mixed performances across the global equity markets. Equities of developed market were broadly flat over the quarter after a sell-off in late September, erasing the quarter's prior gains. The MSCI World, MSCI Europe and MSCI EAFE index recorded returns of -0.35%, +0.34% and -1.03% respectively QoQ. Meanwhile, emerging market equities sharply underperformed, posted returns of -8.84% for the quarter amid concerns over continued supply chain disruptions, higher energy prices, potential hike in global profit/interest rates and rising Covid-19 cases that could potentially derail the global recovery. The gradual reopening of businesses globally had significantly driven up commodity prices. Over the third quarter, crude oil, natural gas and crude palm oil prices posted gains of +4.51%, +60.74%, and +27.79% respectively while metal prices such as aluminum and steel rose +13.11% and 19.25% respectively QoQ.

On the domestic front, the economic recovery is gaining more traction with more states moved into Phase 2 and Phase 3 of the National Recovery Plan. As of end September 2021, at least 80% of the adult population has been fully vaccinated while the remaining 20% is targeted to be inoculated by end of October 2021. The Prime Minister also hinted at the possibility of interstate travel once the vaccination rate hits 90% of the adult population. The FBM KLCI closed at 1,537.80 points, dropped -3.97% month-on-month ("MoM") in September erasing most of the gains achieved in August 2021 due to further selling in glove stocks as reflected by poor performance of Healthcare sector index.

For the period under review, the FBM Hijrah Shariah closed at 13,298.06 points or down by -7.42%, underperforming the FBM KLCI, FBM Mid 70 Index & FBM Emas Shariah Index which posted returns of -1.89%, +2.12% and -2.28% respectively.

KEY MARKET RISKS

- Rising trade war and tensions between U.S. and China which could cause a slowdown in global growth especially in Technology and Semiconductor sectors.
- Sudden weakening of Ringgit due to economic uncertainties making our domestic assets unattractive and cause investors to move away as a result of potential forex exposure losses.
- Weaker than expected recovery globally as well as domestically leading to market downgrades and overall weaker market sentiments.
- Delay in expected completion date for COVID-19 vaccine programme and emergence of new variants, translating to a slower achievement of the herd immunity targets.
- Possibility for lockdown to be re-enforced if local transmission of COVID-19 cases escalates which could hamper economic recovery.
- Early tapering and/or raise of profit/interest rates among central bankers worldwide which may dampen bullish view on equity markets.

INVESTMENT OUTLOOK AND STRATEGY

FBM KLCI rebounded in October 2021 after a loss in September to register a gain of +1.6% month-on-month (“mom”) on the back of the reopening of economic sectors and optimism induced by the continued inflows from foreign investors. The enthusiasm of the FBM KLCI was primarily contributed by the high vaccination rate administrated among Malaysia’s adult population, the decline of new Covid-19 cases, and further easing of its movement control order (“MCO”), resulting in optimism that the country is on track to reach its pre-Covid 19 levels. As at 31st October 2021, the new number of the Covid-19 cases declined to 4,626 from 12,735 from one month earlier. The drop in new cases was mainly attributed to the rise in the number of populations fully vaccinated. More than 6 million doses of Covid-19 vaccines were administrated, bringing a total of 50.1 million total doses, which covered 25.05 million (74.9%) of the population. The news that interstate travel nationwide will be lifted on 11th October 2021 also added further boost to the market, a piece of evidence that our country is on track to return to normalcy and stimulate domestic demand.

On 27th September 2021, our Prime Minister tabled the 12th Malaysia Plan, which serves as an important reference document for the medium-term development plans from 2021 to 2025, in line with the long-term development plans of Malaysia’s Shared Prosperity Vision 2030. There will be a total allocation of RM400 billion in development spending, higher than the RM248 billion allocated for the 11th Malaysia Plan. We view the Plan is designed to reflect the current dynamic of economic landscape as Construction Sector will take a back seat while Technology Sector will serve as the leading key enabler in economic growth. Furthermore, our country is expected to grow by 4% to 5.5% annually until 2025, while the unemployment rate is projected at 4.0% in 2025 when the economy returns to full employment.

The recent tabling of Budget 2022 on 29th October 2021 will set the tone of the domestic economy and investment landscapes for a few months to come. In essence, Budget 2022 is an expansionary budget aiming to heal the economy in the short term through various revitalization efforts. It is equipped with various measures to support the people and businesses, develop new shoots of growth and ensure sustainable growth in the still challenging and uncertain environment and market conditions. This budget has unveiled measures to chart the pathway and to support the overarching aim of the 12th Malaysia Plan.

With the introduction of a one-off prosperity tax and changes in stamp duty structure, Budget 2022 is viewed as more populist and less business-friendly, especially with the next general election expected to be held in 2022. The introduction of change in stamp duty rates on contract notes to 0.15% from 0.10% previously and the abolishment of RM200 stamp duty limit for contract note rate might affect trading volume in the near term as investors need to cope with higher transaction costs amid the ongoing challenges and volatility. The prosperity tax is a one-off special tax that will apply at the companies’ level with chargeable income above RM100 million came as the biggest surprise with a negative knee-jerk reaction by the market. Based on our understanding, for the first RM100 million profit, the chargeable income is subjected to an income tax at a rate of 24%. As for the remaining chargeable income above RM100 million, a 33% rate will apply. All these will be applicable for the year 2022 assessment and the impact to the bottom lines for these affected companies ranges from 1.2% to 11.8%.

Over a short-term basis, our investment themes will be based on recovery and reflation plays. Among our picks, in the recovery play theme is Energy, supported by rising global demand and firmer prices of commodities. We view that the global demand recovery will be a boon for the commodities players, resulting in firmer products' prices and higher earnings growth for the sectors. Furthermore, we are also bullish on the Transportation and Logistics sector, owing to the persistent global supply chain shortage, which is expected to extend until 2022. Sectors focusing on domestic demand are expected to perform well during the short-term period as our country is moving towards a broader re-opening of economic activities. We also expect sectors such as Automotive, Tourism and Leisure, and Consumer to see uptick business activities and a rebound on their financial bottom-line.

In the medium to long term, we are bullish on Technology. Our positivity is driven by long-term structural growth with the advancement of 5G Technology, Electric Vehicle, Cloud Services, and the Internet of Things (IoT). Our bullish outlook on Technology is also consistent with the 12th Malaysia Plan as Technology is expected to be the primary key enabler for Malaysia's economic growth until 2025. As outlined in the Plan, most of the initiatives focused on improving and accelerating economic growth will involve Technology such as increased automation and digitalization. Other positive takeaways from the 12th Malaysia Plan are the Water Utility sector due to the RM26bn allocation under the Water Sector Transformation Agenda 2040 and the Renewable Energy segment with the plans to increase renewable energy installed capacity to meet the target of 31% RE capacity by 2025. Other than that, we also see that Electronic Manufacturing Services (EMS) will continue to benefit from the increase in global demand and the risk of heightened US-China trade and technology wars.

As such, we are reiterating our views that active management and a balanced approach between defensive and cyclical growth industries are still relevant in the current volatile investment backdrop, necessary to manage portfolio risks effectively. Accordingly, we maintain our stock selection strategy to remain towards sectors that are more resilient in growth. Therefore, we will continue to overweight on sectors such as Technology, Exporters, Water Utilities, and Renewable Energy due to better earnings growth than the other sectors while also inclining towards high dividend-yielding stocks, which provide some defensiveness and are likely to continue doing well in the current low yield environment. Furthermore, barring any unforeseen circumstances and significant external shocks, our portfolio tactical equity exposure is expected to be on average between 80% to 85%, as it provides the flexibility for the portfolio to be agile and nimble.

CURRENT PROFILE OF UNITHOLDINGS BY SIZE

Size of Unitholdings	No. of Unit Holders	No. of Units Held	% of Unit Holders
5,000 and below	1,823	2,925,582	77.48
5,001 to 10,000	221	1,562,490	9.39
10,001 to 50,000	261	5,231,205	11.09
50,001 to 500,000	48	4,204,431	2.04
500,001 and above	-	-	-
	2,353	13,923,708	100.00

PORTFOLIO COMPOSITION

	As at 15.10.2021 %	As at 15.10.2020 %	As at 15.10.2019 %
Construction	7.7	1.1	5.3
Consumer Products & Services	6.1	11.4	23.0
Energy	6.1	7.0	6.5
Finance	-	4.6	-
Healthcare	3.2	12.9	17.9
Industrial Products & Services	6.3	6.7	9.1
Islamic REITs	-	-	-
Plantation	8.6	1.4	2.3
Property	-	4.0	2.1
Technology	15.4	7.5	2.1
Telecommunications & Media	15.0	15.3	2.7
Transportations & Logistics	1.6	-	3.5
Utilities	8.4	9.0	3.4
Cash and other Net Assets	21.6	19.1	22.10
	100.00	100.00	100.00

PERFORMANCE DATA

		As at 15.10.2021	As at 15.10.2020	As at 15.10.2019
Net Asset Value	[RM]	7,315,420	7,044,419	8,034,634
Units in Circulation	[Units]	13,923,708	14,665,194	15,233,119
Net Asset Value per Unit	[RM]	0.5254	0.4803	0.5274
Highest NAV*	[RM]	0.5257	0.4979	0.5567
Lowest NAV*	[RM]	0.4693	0.4592	0.5175
Total Return: - Capital Growth - Income Distribution	[%]	9.39 Nil	(8.93) Nil	(3.19) Nil
Management Expenses Ratio (MER) ¹	[%]	0.96	1.02	0.95
Portfolio Turnover Ratio (PTR) ²	[x]	0.70	0.96	1.65

Notes:

* The highest/lowest NAV are adjusted NAV after taking into account the distribution of income made at the financial year end.

¹ The MER was lower at 0.96% in 2021.

² The PTR in 2021 was lower at 0.70 times as compared to 0.96 times in 2020 due to cautious activities as a result of the volatile markets.

ANNUAL TOTAL RETURN

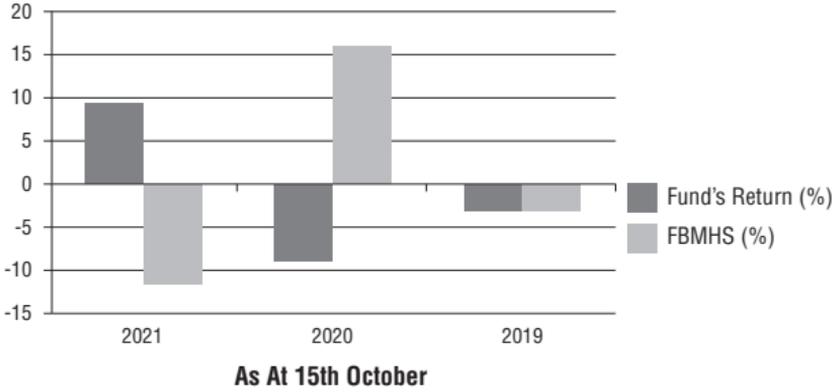
MIDF Amanah Growth Fund			
As At 15th October	2021	2020	2019
Fund's Return (%)	9.39	-8.93	-3.19
*FBMHS (%)	-12.03	16.45	-3.05

* Source: Bursa Malaysia

Note:

Effective 1 June 2018, FBMHS has been identified as the new benchmark for MAGF subsequent to its conversion from a conventional fund to a Shariah-compliant fund. Therefore, data on the annual total return of the fund against its new comparable benchmark (i.e. FBMHS) for year 2018 and 2017 are not available.

MIDF AMANAH GROWTH FUND



AVERAGE TOTAL RETURN

As At 15th September	The Fund	*FBMHS
One Year (%)	9.39	-12.03
Three Years (%)	-1.19	-0.22

* Note: Effective 1 June 2018, FBMHS has been identified as the new benchmark for MAGF subsequent to its conversion from a conventional fund to a Shariah-compliant fund. Therefore, data on the average total return of the fund against its new comparable benchmark (i.e. FBMHS) for Five years are not available.

Average total return is derived using the following formula:

$$\frac{\text{Total Returns}}{\text{Number of Years Under Review}}$$

Investors are advised that the past performance of the Fund is not an indication of future performance. In addition, the unit price and investment return (if any) may go down as well as up.

Yours faithfully
MIDF Amanah Asset Management Berhad

Mohamed Sany Mohamed Zainudin
Director

Date: 3 December 2021

MANAGER'S REPORT

The Manager has pleasure in submitting its report and the unaudited condensed interim financial statements of the MIDF Amanah Growth Fund ("the Fund") for the six months financial period ended 15 October 2021.

PRINCIPAL ACTIVITIES OF THE MANAGER

The principal activities of the Manager are the provision of Islamic fund management and investment advisory services.

There have been no significant changes in these principal activities during the six months period.

INVESTMENTS OF THE FUND

A summary of the Fund's investments at cost is as follows:

Sector	Aggregate	Acquisitions	Disposal	Aggregate
	cost as at			cost as at
	16.04.2021	RM	RM	15.10.2021
	RM			RM
Construction	472,333	302,565	(226,203)	548,695
Consumer Products & Services	286,504	425,390	(286,504)	425,390
Energy	771,434	700,410	(1,055,342)	416,502
Healthcare	351,327	233,694	(395,197)	189,824
Industrial Products & Services	321,753	622,475	(527,108)	417,120
Islamic Real Estate Investment Trust ("REITs")	263,949	-	(263,949)	-
Plantation	600,511	757,430	(755,862)	602,079
Property	77,872	-	(77,872)	-
Technology	1,077,920	863,988	(1,083,705)	858,203
Telecom- munications & Media	717,817	570,354	(244,603)	1,043,568
Transportation & Logistics	163,324	33,264	(91,528)	105,060
Utilities	783,010	177,781	(240,926)	719,865
	<u>5,887,754</u>	<u>4,687,351</u>	<u>(5,248,799)</u>	<u>5,326,306</u>

RESULT

	RM
Net income after tax	<u>165,654</u>

In the opinion of the Manager, the result of the operation of the Fund during the six months financial period has not been substantially affected by any item, transaction or event of a material and unusual nature.

INVESTMENT OBJECTIVE

The objective is to achieve long term capital growth through investments in large, well established companies.

MANAGEMENT FEES

During the financial period, the Manager is entitled to a management fee of RM52,556 (15.10.2020: RM53,588). The Manager's fee is computed on a daily basis at 1.5% (15.10.2020: 1.5%) per annum of the Net Asset Value ("NAV") of the Fund before deducting the Manager's and Trustee's fee for that particular day.

DISTRIBUTION

Unit holders are given the options whether to reinvest or to have payment by cheque for the income due to them (if any). For reinvestment of income distribution, it will be based on the NAV per unit (ex-distribution) at the close of the date and the income distribution is declared with sales charge imposed. Besides, the Manager reserves the right to reinvest any distributed income, which is less than RM250.00. As for income distribution paid by cheque, cheques issued to unit holders will become void after 6 months from the distribution payment date. In the event that the cheque is unrepresented for payment upon its expiry date, it would be automatically reinvested into units at NAV per unit of the Fund valued on the expiry date of the cheque.

The Manager does not propose any distribution for the financial period ended 15 October 2021 (15.10.2020: Nil).

UNIT SPLIT

No unit split was made during the six months financial period ended 15 October 2021 (15.10.2020: Nil).

CHANGES IN VALUE OF FUND

The changes in value of fund are reflected in the statement of changes in equity.

POLICY ON STOCKBROKING REBATES AND SOFT COMMISSION

It is our policy to pay all rebates from stockbrokers to the respective Funds. However, soft commissions from stockbrokers (if any) will be retained by the Manager only if the goods and services are of demonstrable benefit to the unit holders.

During the six months financial period, the Manager received soft commissions from stockbrokers in the form of investment tools that are used to support investment decision, research materials and data quotation services, e.g. Bloomberg, incidental to the investment management of the Fund.

DIRECTORS OF THE MANAGER

The directors of the Manager since the beginning of the current financial period to the date of this report are:

Hasnah Omar
Dato' Charon Wardini Mokhzani
Datuk Joseph Dominic Silva
Tai Keat Chai
Ahlan Nasri Mohd Nasir
Hasman Yusri Yusoff
Mohamed Sany Mohamed Zainudin

For and on behalf of the Manager
MIDF Amanah Asset Management Berhad

HASNAH OMAR

Director

MOHAMED SANY MOHAMED ZAINUDIN

Director

Kuala Lumpur, Malaysia

Date: 3 December 2021

**TRUSTEE'S REPORT
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED
15 OCTOBER 2021**

To the Unit Holders of
MIDF AMANAH GROWTH FUND

We, AMANAHRAYA TRUSTEES BERHAD, have acted as Trustee of and MIDF AMANAH GROWTH FUND for the six months financial period ended 15 October 2021. In our opinion, MIDF AMANAH ASSET MANAGEMENT BERHAD, the Manager, has operated and managed MIDF AMANAH GROWTH FUND in accordance with the limitations imposed on the investment powers of the management company under the Deed, securities laws and the applicable Guidelines on Unit Trust Funds for the six months financial period ended 15 October 2021.

We are also of the opinion that:

- (a) Valuation and pricing is carried out in accordance with the Deed and any regulatory requirement; and
- (b) Creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

Yours faithfully
AMANAHRAYA TRUSTEES BERHAD

ZAINUDIN BIN SUHAIMI
Chief Executive Officer

Kuala Lumpur, Malaysia
12 November 2021

**SHARIAH ADVISER'S REPORT
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED
15 OCTOBER 2021**

To the unit holders of
MIDF AMANAH GROWTH FUND ("the Fund")

We hereby confirm the following:

- 1 To the best of our knowledge, after having made all reasonable enquiries, **MIDF AMANAH ASSET MANAGEMENT BERHAD** has operated and managed the Fund during the period covered by these financial statements in accordance with Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
- 2 The assets of the Fund comprise of Shariah-compliant securities and Islamic money market instruments that have been classified as Shariah-compliant by either the Shariah Advisory Council of the Securities Commission or that of Bank Negara Malaysia.

The Shariah Committee of MIDF Amanah Investment Bank Berhad as Shariah Adviser for **MIDF Amanah Growth Fund** consists of the following members:

DR. MOHAMAD SABRI ZAKARIA
ASSOC. PROF. DR. SITI SALWANI RAZALI
DR. MUHAMMAD NAJIB ABDULLAH
ENCIK AHMAD LUTFI ABDULL MUTALIP @ TALIB

Signed on behalf of the members,

DR. MOHAMAD SABRI ZAKARIA
Chairman, Shariah Committee
MIDF Amanah Investment Bank Berhad

Date: 15/11/2021

STATEMENT BY MANAGER

We, Hasnah Omar and Mohamed Sany Mohamed Zainudin, being two of the directors of MIDF Amanah Asset Management Berhad, do hereby state that, in the opinion of the Manager, the accompanying unaudited condensed interim financial statements set out on pages 16 to 45 are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of MIDF Amanah Growth Fund as at 15 October 2021 and of its financial performance, changes in equity and cash flows for the six months financial period then ended.

On behalf of the Manager

MIDF Amanah Asset Management Berhad

HASNAH OMAR

Director

MOHAMED SANY MOHAMED ZAINUDIN

Director

Kuala Lumpur, Malaysia

Date: 3 December 2021

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED
15 OCTOBER 2021**

	Note	16.04.2021 to 15.10.2021 RM	16.04.2020 to 15.10.2020 RM
INVESTMENT INCOME			
Dividend income		67,082	59,989
Profit income from Islamic deposits with financial institutions		11,640	13,102
Net gain from financial asset at fair value through profit or loss ("FVTPL")	7	195,256	257,115
		<u>273,978</u>	<u>330,206</u>
EXPENSES			
Manager's fee	3	(52,556)	(53,588)
Trustee's fee	4	(2,803)	(2,858)
Brokerage's fee		(24,636)	(34,811)
Auditors' remuneration		(3,259)	(3,250)
Tax agent's fee		(1,104)	(1,100)
Administrative expenses		(23,966)	(28,465)
		<u>(108,324)</u>	<u>(124,072)</u>
Net income before tax		165,654	206,134
Income tax expense	5	-	-
Net income after tax representing total comprehensive income total comprehensive income		<u>165,654</u>	<u>206,134</u>
Net income after tax is made up of the following:			
Net realised (loss)/gain		(241,454)	223,268
Net unrealised gain/(loss)		407,109	(17,134)
		<u>165,654</u>	<u>206,134</u>

The accompanying accounting policies and explanatory notes form an integral part of the unaudited condensed interim financial statements.

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 15 OCTOBER 2021**

	Note	15.10.2021 RM	15.04.2021 RM
ASSETS			
Financial assets at FVTPL	7	5,742,400	5,896,739
Islamic deposits with financial institutions	8	1,809,115	1,466,148
Other receivables		752	39,281
Amount due from broker		17,174	-
Cash at bank		16,581	4,869
TOTAL ASSETS		<u>7,586,022</u>	<u>7,407,037</u>
LIABILITIES			
Amount due to broker		231,752	-
Sundry creditors		17,878	15,336
Due to manager		13,126	44,160
Due to trustee		740	782
Other payables		7,106	17,944
TOTAL LIABILITIES		<u>270,602</u>	<u>78,222</u>
EQUITY			
Unit holders' capital	10(a)	(3,811,941)	(3,632,891)
Retained earnings	10(b), 10(c)	11,127,361	10,961,706
TOTAL EQUITY, REPRESENTING NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS		<u>7,315,420</u>	<u>7,328,815</u>
TOTAL EQUITY AND LIABILITIES		<u>7,586,022</u>	<u>7,407,037</u>
UNITS IN CIRCULATION	10(a)	<u>13,923,708</u>	<u>14,281,637</u>
NAV PER UNIT (RM)		<u>0.5254</u>	<u>0.5132</u>

The accompanying accounting policies and explanatory notes form an integral part of the unaudited condensed interim financial statements.

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED
15 OCTOBER 2021**

	Unit holders' capital Note 10(a) RM	Retained earnings Note 10(b) and 10(c) RM	Total equity RM
At 16 April 2020	(3,309,576)	10,276,439	6,966,863
Total comprehensive income for the financial period	-	206,134	206,134
Creation of units	37,880	-	37,880
Cancellation of units	(166,458)	-	(166,458)
At 15 October 2020	<u>(3,438,154)</u>	<u>10,482,573</u>	<u>7,044,419</u>
At 16 April 2021	(3,632,891)	10,961,706	7,328,815
Total comprehensive income for the financial period	-	165,654	165,654
Creation of units	7,211	-	7,211
Distribution equalisation	(3,064)	-	(3,064)
Cancellation of units	(183,197)	-	(183,197)
At 15 October 2021	<u>(3,811,941)</u>	<u>11,127,361</u>	<u>7,315,420</u>

The accompanying accounting policies and explanatory notes form an integral part of the unaudited condensed interim financial statements.

**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED
15 OCTOBER 2021**

	Note	16.04.2021 to 15.10.2021 RM	16.04.2020 to 15.10.2020 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES			
Proceeds from sale of investments		5,001,272	6,795,104
Purchase of investments		(4,474,191)	(6,665,604)
Dividends received		105,597	92,878
Profit received		11,654	13,119
Manager's fee paid		(83,590)	(53,356)
Trustee's fee paid		(2,845)	(2,846)
Audit fee paid		(13,000)	-
Payment for other fees and expenses		<u>(11,168)</u>	<u>(14,328)</u>
Net cash generated from operating and investing activities		<u>533,729</u>	<u>164,967</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		7,413	36,200
Cash payment for units cancelled		<u>(186,463)</u>	<u>(166,458)</u>
Net cash used in financing activities		<u>(179,050)</u>	<u>(130,258)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		354,679	34,709
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD			
		<u>1,471,017</u>	<u>1,264,041</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD			
		<u>1,825,696</u>	<u>1,298,750</u>
Cash and cash equivalents comprise:			
Cash at bank		16,581	29,750
Islamic deposits with financial institutions	8	<u>1,809,115</u>	<u>1,269,000</u>
		<u>1,825,696</u>	<u>1,298,750</u>

The accompanying accounting policies and explanatory notes form an integral part of the unaudited condensed interim financial statements.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED
15 OCTOBER 2021**

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

MIDF Amanah Growth Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the executed deed (“the Deed”) dated 2 December 1966 and the various Supplemental Deeds between Asia Unit Trusts Berhad (“AUTB”), the Trustee - Amanah Raya Berhad and the Registered Holders of the Fund. The Deed and its respective Supplemental Deeds were consolidated on 18 December 1998. The various Master Supplemental Deeds were executed on 1 November 2001 and 31 October 2002. The Fund will continue its operations until terminated by the Trustee as provided under Part 13.2 of the Master Supplemental Deed dated 1 November 2001. On 6 November 2008, the Fourth Master Supplemental Deed was executed between the AUTB, Amanah Raya Berhad and AmanahRaya Trustees Berhad, whereby Amanah Raya Berhad will transfer and assign its rights, duties and obligations under the Master Deed with respect to the Fund and its assets to AmanahRaya Trustees Berhad. The effective date of the transfer was 28 November 2008. The various Master Supplemental Deeds were executed between 6 November 2008 and 12 April 2018. The Tenth Master Supplemental Deed with respect to the Shariah matters was executed on 12 April 2018.

AUTB, MIDF Amanah Asset Management Berhad and AmanahRaya Trustees Berhad have entered into a novation agreement dated 18 November 2009 to transfer and assign the management of the unit trusts to MIDF Amanah Asset Management Berhad all the rights, duties and obligations on and from the date a Master Supplemental Deed relating to the Fund has been registered with Securities Commission (“SC”) or such other date as may be agreed by the Parties hereto. The effective date of the transfer was 1 January 2010 and subsequent from the date, the Fund changed its name to MIDF Amanah Growth Fund.

The principal activity of the Fund is to invest in Authorised Investments as defined in the Deed, which includes stocks and shares of companies quoted on the Bursa Malaysia Berhad (“Bursa Malaysia”) and short-term Islamic deposits. The registered office of the Fund is located at Level 21, Menara MIDF, 82 Jalan Raja Chulan, 50200 Kuala Lumpur.

The Manager, MIDF Amanah Asset Management Berhad, a company incorporated in Malaysia, is a wholly-owned subsidiary of Malaysian Industrial Development Finance Berhad, whereas, Permodalan Nasional Berhad (“PNB”) and Yayasan Pelaburan Bumiputra (“YPB”) are the penultimate and ultimate holding companies. The holding companies are incorporated in Malaysia.

The principal activities of the Manager are the provision of Islamic fund management and Islamic investment advisory services.

The unaudited financial statements were authorised for issue by the Board of Directors of the Manager in accordance with a resolution of the directors on 3 December 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The unaudited condensed interim financial statements of the Fund have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and IAS 34 Interim Financial Reporting issued by the International Financial Reporting Standards Board (“IASB”) and the Securities Commission’s Guidelines on Unit Trust Funds in Malaysia.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 15 April 2021. These explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Fund since the year ended 15 April 2021.

The unaudited condensed interim financial statements of the Fund have been prepared under the historical cost convention, unless otherwise stated in the accounting policies. The unaudited condensed interim financial statements are presented in Ringgit Malaysia (“RM”), which is the Fund’s functional currency.

The significant accounting policies and methods of computation applied by the Fund are consistent with those adopted in the most recent audited financial statement for the year ended 15 April 2021.

(b) New standards and amendments issued

The Fund has adopted the Standards, Amendments to Standards and Interpretations issued by the Malaysian Accounting Standards Board (“MASB”) which have become effective during the financial period. The adoption of the new pronouncements did not result in any material impact to the financial statements.

As at the date of authorisation of these unaudited condensed interim financial statements, the following Standards, Amendments to Standards and Interpretations have been issued but are not yet effective and have not been adopted by the Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(b) New standards and amendments issued (cont'd.)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: <i>Interest Rate Benchmark Reform - Phase 2</i>	1 January 2021
Amendment to MFRS 16: <i>Covid-19 - Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
Amendments to MFRS 3: <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116: <i>Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137: <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to MFRS Standards 2018-2020 Cycle	1 January 2022
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Fund plans to adopt the above pronouncements when they become effective in the respective financial years. These pronouncements are expected to have no significant impact to the financial statements of the Fund upon their initial application.

(c) Financial assets

Financial assets are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss (“FVTPL”), directly attributable transaction costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(c) Financial assets (cont'd.)

The Fund determines the classification of its financial assets at initial recognition.

(i) Financial assets at FVTPL

A financial asset is measured at fair value through profit or loss if:

- Its contractual terms do not give rise to cash flows on specified dates that are Solely Payments of Principal and Profit ("SPPP") on the principal amount outstanding; or
- It is not held within a business model whose objective is either to collect contractual cash flows or to both collect contractual cash flows and sell; or
- At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring asset or liabilities or recognising the gains and losses on them on different bases.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Changes in the fair value of those financial instruments are recorded in 'Net gain or loss on financial assets at fair value through profit or loss'. Profit earned and dividend revenue elements of such instruments are recorded separately in 'Profit income' and 'Dividend income', respectively. Exchange differences on financial assets at FVTPL are not recognised separately in profit or loss but are included in net gains or net losses on changes in fair value of financial assets at FVTPL.

(ii) Financial assets at amortised cost

Financial assets at amortised cost are those financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are SPPP on the principal amount outstanding. The Fund includes short-term receivables and Islamic deposits with Islamic financial institutions in this classification.

Subsequent to initial recognition, financing and receivables are measured at amortised cost using the effective profit rate method. Gains and losses are recognised in profit or loss when the financing and receivables are derecognised or impaired, and through the amortisation process.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(d) Impairment of financial assets

The Fund holds financial assets with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for Expected Credit Losses (“ECL”) under MFRS 9 to all its financial assets. Therefore, the Fund does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECL at each reporting date.

The Fund’s approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(e) Classification of realised and unrealised gains and losses

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period’s unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

Realised gains and losses on disposals of financial instruments classified as part of FVTPL are calculated using weighted average method. They represent the difference between an instrument’s initial carrying amount and disposal proceeds.

(f) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. Financial liabilities are classified as other financial liabilities.

The Fund’s financial liabilities which include other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective profit rate method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(g) Unit holders' capital

The unit holders' contributions to the Fund meet the definition of puttable instruments classified as Shariah equity instruments under the revised MFRS 132 Financial Instruments : Presentation.

Distribution equalisation represents the average distributable amount included in the creation and cancellation prices of units. This amount is either refunded to unit holders by way of distribution and/or adjusted accordingly when units are cancelled.

(h) Dividend distribution

Dividend distributions are at the discretion of the Fund. A dividend distribution to the Fund's unit holders is accounted for as a deduction from realised reserves except where dividend is sourced out of distribution equalisation which is accounted for as a deduction from unit holders' capital. A proposed dividend is recognised as a liability in the period in which it is approved.

(i) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of bank balances and Islamic deposits and placements with banks and other Islamic financial institutions with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

(j) Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Dividend income is recognised when the Fund's right to receive payment is established.

Profit income from Islamic deposits with Islamic financial institutions is recognised using the effective profit rate method.

(k) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

No deferred tax is recognised as there are no material temporary differences.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(l) Segment reporting

For management purposes, the Fund is managed by two main portfolios, namely (1) Quoted Shariah-compliant securities and (2) Islamic deposits with financial institutions. Each segment engages in separate business activities and the operating results are regularly reviewed by the Investment Manager and the Investment Committee. The Fund Manager assumes the role of chief operating decision maker, for performance assessment purposes and to make decisions about resources allocated to each investment segment.

(m) Significant accounting estimates and judgments

The preparation of the Fund's financial statements requires the Manager to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future.

No major judgments have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

3. MANAGER'S FEE

The Manager's fee is computed on a daily basis at 1.5% (15.10.2020: 1.5%) per annum of the NAV of the Fund before deducting the Manager's and Trustee's fees for that particular day.

4. TRUSTEE'S FEE

The Trustee's fee is computed on a daily basis at 0.08% (15.10.2020: 0.08%) per annum of the NAV of the Fund before deducting the Manager's and Trustee's fees for that particular day.

5. INCOME TAX EXPENSE

	16.04.2021	16.04.2020
	to	to
	15.10.2021	15.10.2020
	RM	RM
Charge for the financial period	-	-

Income tax is calculated at the Malaysia statutory tax rate of 24% of the estimated assessable income for the financial period.

5. INCOME TAX EXPENSE (CONT'D.)

The tax charge for the financial period is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act, 1967, profit income earned from licensed banks and financial institutions is exempted from tax.

A reconciliation of income tax expense applicable to net income before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	16.04.2021 to 15.10.2021 RM	16.04.2020 to 15.10.2020 RM
Net income before tax	<u>165,654</u>	<u>206,134</u>
Tax at Malaysian statutory rate of 24%	39,757	49,472
Effect of income not subject to tax	(65,755)	(79,249)
Expense not deductible for tax purposes	<u>25,998</u>	<u>29,777</u>
Tax expense for the financial period	<u>-</u>	<u>-</u>

6. ZAKAT FOR THE FUND

The Manager does not pay zakat on behalf of its unit holders. Thus, unit holders are advised to pay zakat on their own.

7. FINANCIAL ASSETS AT FVTPL

	15.10.2021 RM	15.04.2021 RM
Financial assets at FVTPL:		
Quoted Shariah-compliant securities	<u>5,742,400</u>	<u>5,896,739</u>

	16.04.2021 to 15.10.2021 RM	16.04.2020 to 15.10.2020 RM
Net gain on financial assets at FVTPL:		
Realised (loss)/gain on disposals	(211,853)	274,249
Unrealised changes in fair values	<u>407,109</u>	<u>(17,134)</u>
	<u>195,256</u>	<u>257,115</u>

7. FINANCIAL ASSETS AT FVTPL (CONT'D.)

Financial assets at FVTPL as at 15 October 2021 are as detailed below:

Name of Counter	Quantity/ Nominal Units	Cost RM	Fair Value RM	% of NAV %
QUOTED SHARIAH-COMPLIANT SECURITIES				
Construction				
Gamuda Berhad	170,000	548,695	564,400	7.7
Consumer Products & Services				
Fraser & Neave Holdings Berhad	5,000	131,102	143,300	1.9
Sime Darby Berhad	130,000	294,288	305,500	4.2
	<u>135,000</u>	<u>425,390</u>	<u>448,800</u>	<u>6.1</u>
Energy				
Dialog Group Berhad	100,000	286,058	300,000	4.1
Yinson Holdings Berhad	25,000	130,444	145,000	2.0
	<u>125,000</u>	<u>416,502</u>	<u>445,000</u>	<u>6.1</u>
Healthcare				
IHH Healthcare Berhad	35,000	189,824	235,200	3.2
Industrial Products & Services				
Petronas Chemicals Group Berhad	53,000	417,120	463,750	6.3
Plantation				
Kuala Lumpur Kepong Berhad	21,000	468,365	476,700	6.5
Sime Darby Plantation Berhad	35,000	133,714	150,850	2.1
	<u>56,000</u>	<u>602,079</u>	<u>627,550</u>	<u>8.6</u>

7. FINANCIAL ASSETS AT FVTPL (CONT'D.)

Financial assets at FVTPL as at 15 October 2021 are as detailed below (cont'd.):

Name of Counter	Quantity/ Nominal amount Units	Cost RM	Fair Value RM	% of NAV %
QUOTED SHARIAH-COMPLIANT SECURITIES (CONT'D.)				
Technology				
D & O Green Technologies Berhad	42,000	143,283	243,600	3.3
Greatech Technology Berhad	20,000	108,659	137,800	1.9
Inari Amertron Berhad	55,000	157,452	207,900	2.8
MY E.G. Services Berhad	250,000	233,029	265,000	3.6
Vitrox Corporation Berhad	14,000	215,780	274,680	3.8
	<u>381,000</u>	<u>858,203</u>	<u>1,128,980</u>	<u>15.4</u>
Telecom- munications & Media				
Axiata Group Berhad	75,000	269,866	307,500	4.2
Time Dotcom Berhad	70,000	322,454	319,900	4.4
Telekom Malaysia Berhad	80,000	451,248	472,800	6.4
	<u>225,000</u>	<u>1,043,568</u>	<u>1,100,200</u>	<u>15.0</u>
Transportation & Logistics				
MISC Berhad	16,000	105,060	116,160	1.6

7. FINANCIAL ASSETS AT FVTPL (CONT'D.)

Financial assets at FVTPL as at 15 October 2021 are as detailed below (cont'd.):

Name of Counter	Quantity/ Nominal amount Units	Cost RM	Fair Value RM	% of NAV %
QUOTED SHARIAH-COMPLIANT SECURITIES (CONT'D.)				
Utilities				
Tenaga Nasional Berhad	63,000	719,865	612,360	8.4
TOTAL FINANCIAL ASSETS AT FVTPL	1,259,000	5,326,306	5,742,400	78.4
ACCUMULATED UNREALISED GAIN/(LOSS)			416,094	

8. ISLAMIC DEPOSITS WITH FINANCIAL INSTITUTIONS

	15.10.2021 RM	15.04.2020 RM
Islamic deposits with licensed banks	1,809,115	1,466,148

The effective average profit rate for short-term placements as at 15 October 2021 is 1.68% (15.04.2021: 1.67%) per annum. The average maturity of deposits as at 15 October 2021 is 2 days (15.04.2021: 2 days).

9. SHARIAH INFORMATION OF THE FUND

The Shariah Adviser has confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- Shariah-compliant Equity securities listed in Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission; and
- Islamic cash placements and liquid assets in local market, which are placed in Shariah-compliant investment instruments.

10. TOTAL EQUITY

	Note	15.10.2021 RM	15.04.2021 RM
Unit holders' capital	(a)	(3,811,941)	(3,632,891)
Retained earnings			
- Realised and distributable	(b)	10,711,267	10,952,721
- Unrealised reserve and non-distributable	(c)	416,094	8,985
Total equity		<u>7,315,420</u>	<u>7,328,815</u>

(a) Unit holder's Capital

	15.10.2021		15.04.2021	
	No. of units	RM	No. of units	RM
As at the beginning of the period/year	14,281,637	(3,632,891)	14,931,736	(3,309,576)
Creation of units	14,859	7,211	133,617	65,963
Distribution equalisation	-	(3,064)	-	-
Cancellation of units	(372,788)	(183,197)	(783,716)	(389,278)
As at the end of the period/year	<u>13,923,708</u>	<u>(3,811,941)</u>	<u>14,281,637</u>	<u>(3,632,891)</u>

(b) Realised and distributable

	15.10.2021 RM	15.04.2021 RM
As at the beginning of the period/year	10,952,721	10,848,422
Net realised (loss)/gain	<u>(241,454)</u>	<u>104,299</u>
As at the end of the period/year	<u>10,711,267</u>	<u>10,952,721</u>

(c) Unrealised and non-distributable

	15.10.2021 RM	15.04.2021 RM
As at the beginning of the period/year	8,985	(571,983)
Net unrealised gain	<u>407,109</u>	<u>580,968</u>
As at the end of the period/year	<u>416,094</u>	<u>8,985</u>

11. UNITS HELD BY RELATED PARTIES

For the six months period ended 15 October 2021 and 15 October 2020, no units were held by the Manager.

12. TRANSACTIONS WITH RELATED PARTIES AND OTHER INVESTMENT BANKS

Name of Stockbrokers	Value of trade	% of Total Trade	Brokerage fees	% of Total Brokerage Fees
	RM	%	RM	%
MIDF Amanah Investment Bank Berhad*	2,284,873	23.5	5,803	23.6
Public Investment Bank Berhad	2,171,615	22.3	5,454	22.1
Maybank Investment Bank Berhad**	2,054,853	21.1	5,199	21.1
Affin Hwang Investment Bank Berhad	1,692,571	17.4	4,314	17.5
CIMB Investment Bank Berhad	1,521,799	15.7	3,866	15.7
TOTAL	9,725,711	100.0	24,636	100.0

* MIDF Amanah Investment Bank Berhad is a related company of MIDF Amanah Asset Management Berhad, the Manager.

** The parent company of Maybank Investment Bank Berhad is an associate of PNB and YPB.

The Directors of the Manager are of the opinion that transactions with related parties have been entered into in the normal course of business and have been established on terms and conditions agreed between the parties.

13. MANAGEMENT EXPENSES RATIO (“MER”)

The MER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on daily basis. The fees and expenses included Manager’s fee, Trustee’s fee, auditor’s remuneration, tax agent’s fee and other administrative expenses. For the six months financial period ended 15 October 2021 the MER of the Fund stood at 0.96% (15.10.2020: 1.02%).

14. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund is the ratio of the average acquisitions and disposal of the Fund for the six months financial period ended 15 October 2020 to the average NAV of the Fund stood at 0.70 times (15.10.2020: 0.96 times).

15. SEGMENT INFORMATION

The Manager of the Fund is responsible for allocating resources available to the Fund in accordance with the overall Islamic investment strategies as set out in the Investment Guidelines of the Fund. The Fund is managed by two segments:

- Quoted Shariah-compliant securities; and
- Islamic deposits with financial institutions.

The investment objective of each segment is to achieve consistent returns from the Islamic investments of each segment while safeguarding capital by investing in diversified Islamic portfolios. There have been no changes in reportable segments in the current financial year. The segment information provided is presented to the Manager and Investment Committee of the Fund.

	15.10.2021			15.10.2020		
	Quoted Shariah- compliant equities RM	Islamic deposits with financial institutions RM	Total RM	Quoted Shariah- compliant equities RM	Islamic deposits with financial institutions RM	Total RM
Dividend income	67,082	-	67,082	59,989	-	59,989
Profit income from Islamic deposits with financial institutions	-	11,640	11,640	-	13,102	13,102
Net gain from investments: - financial asset at FVTPL	195,256	-	195,256	257,115	-	257,115
Total segment operating income for the financial period	<u>262,338</u>	<u>11,640</u>	<u>273,978</u>	<u>317,104</u>	<u>13,102</u>	<u>330,206</u>

15. SEGMENT INFORMATION (CONT'D.)

	15.10.2021			15.04.2021		
	Quoted Shariah- compliant equities RM	Islamic deposits with financial institutions RM	Total RM	Quoted Shariah- compliant equities RM	Islamic deposits with financial institutions RM	Total RM
Financial assets at FVTPL	5,742,400	-	5,742,400	5,896,739	-	5,896,739
Islamic deposits with financial institutions	-	1,809,115	1,809,115	-	1,466,148	1,466,148
Other receivables	625	127	752	39,140	141	39,281
Amount due from broker	17,174	-	17,174	-	-	-
Total segment assets	5,760,199	1,809,242	7,569,441	5,935,879	1,466,289	7,402,168
Amount due to broker	231,752	-	231,752	-	-	-
Total segment liabilities	231,752	-	231,752	-	-	-

Expenses of the Fund are not considered part of the performance of any operating segment. The following table provides a reconciliation between the net reportable segment operating income and net income of the Fund:

	16.04.2021 to 15.10.2021 RM	16.04.2020 to 15.10.2020 RM
Net reportable segment operating income	273,978	330,206
Expenses	(108,324)	(124,072)
Net income before tax	165,654	206,134
Income tax expense	-	-
Net income after tax	165,654	206,134

Certain assets and liabilities of the Fund are not considered to be part of the net assets and liabilities of an individual segment. The following table provides a reconciliation between the net reportable segment assets and liabilities and total assets and liabilities of the Fund.

15. SEGMENT INFORMATION (CONT'D.)

	15.10.2021	15.04.2020
	RM	RM
Total segment assets	7,569,441	7,402,168
Cash at bank	16,581	4,869
Total assets of the Fund	<u>7,586,022</u>	<u>7,407,037</u>
Total segment liabilities	231,752	-
Other payables	7,106	17,944
Sundry creditors	17,878	15,336
Due to Manager	13,126	44,160
Due to Trustee	740	782
Total liabilities of the Fund	<u>270,602</u>	<u>78,222</u>

16. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The following table analyses the financial assets and liabilities of the Fund in the statement of financial position as at 15 October 2021 by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
15.10.2021				
Assets				
Financial assets at FVTPL	5,742,400	-	-	5,742,400
Islamic deposits with financial institutions	-	1,809,115	-	1,809,115
Other receivables	-	752	-	752
Amount due from broker	-	17,174	-	17,174
Cash at bank	-	16,581	-	16,581
Total financial assets	<u>5,742,400</u>	<u>1,843,622</u>	<u>-</u>	<u>7,586,022</u>
Liabilities				
Other payables	-	-	7,106	7,106
Sundry creditors	-	-	17,878	17,878
Due to Manager	-	-	13,126	13,126
Due to Trustee	-	-	740	740
Due to broker	-	-	231,752	231,752
Total financial liabilities	<u>-</u>	<u>-</u>	<u>270,602</u>	<u>270,602</u>

16. FINANCIAL INSTRUMENTS (CONT'D.)

(a) Classification of financial instruments (cont'd.)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
15.04.2021				
Assets				
Financial assets at FVTPL	5,896,739	-	-	5,896,739
Islamic deposits with financial institutions	-	1,466,148	-	1,466,148
Other receivables	-	39,281	-	39,281
Cash at bank	-	4,869	-	4,869
	<hr/>	<hr/>	<hr/>	<hr/>
Total financial assets	5,896,739	1,510,298	-	7,407,037
Liabilities				
Other payables	-	-	17,944	17,944
Sundry creditors	-	-	15,336	15,336
Due to Manager	-	-	44,160	44,160
Due to Trustee	-	-	782	782
	<hr/>	<hr/>	<hr/>	<hr/>
Total financial liabilities	-	-	78,222	78,222

16. FINANCIAL INSTRUMENTS (CONT'D.)

(b) Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value. The fair values of these financial assets were determined using prices in active markets for identical assets.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
15.10.2021				
Quoted Shariah- compliant securities	<u>5,742,400</u>	<u>-</u>	<u>-</u>	<u>5,742,400</u>
15.04.2021				
Quoted Shariah- compliant securities	<u>5,896,739</u>	<u>-</u>	<u>-</u>	<u>5,896,739</u>

Quoted Shariah-compliant securities

Fair value is determined directly by reference to their published market bid prices at the reporting date.

For instruments quoted on Bursa Malaysia, the market bid prices are determined by reference to the theoretical closing market price as published by Bursa Malaysia.

(c) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximations of fair value

The fair value of the other financial assets and financial liabilities that are not carried at fair value approximate the carrying amounts due to their relatively short term maturity.

17. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

The Fund maintains Islamic investment portfolios in a variety of listed and unlisted financial instruments as dictated by its Trust Deed and Islamic investment management strategy.

The Fund is exposed to a variety of risks including market risk (which includes profit rate risk, price risk and currency risk), credit risk, and liquidity risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an Islamic investment in the Fund.

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks. Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Trust Deed, the Securities Commission's Guidelines on Unit Trust Funds and the Capital Markets and Services Act 2007.

(b) Risk management structure

The Fund's Manager is responsible for identifying and controlling risks. The Board of Directors of the Manager is ultimately responsible for the overall risk management approach within the Fund.

(c) Risk measurement and reporting system

Monitoring and controlling risks is primarily set up to be performed based on limits established by the Manager (and Investment Manager, if applicable) and Trustee. These limits reflect the Islamic investment strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. In addition, the Fund monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risks type and activities.

(d) Risk mitigation

The Fund has Islamic investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy. The Manager also has a Compliance Department to ensure that the Fund complies with the various regulations and guidelines as stipulated in its Trust Deed, the Securities Commission's Guidelines on Unit Trust Funds and the Capital Markets and Services Act 2007.

It is, and has been throughout the current and previous financial period, the Fund's policy that no derivatives shall be undertaken for either investment risk management purposes or for trading.

17. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(e) Excessive risk concentration

Concentration indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentration of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio in accordance with the Fund's Trust Deed, Investment Manager's guidelines and the Securities Commission's Guidelines on Unit Trust Funds. Portfolio diversification across a number of sectors and industries minimises the risk not only of any single company's securities becoming worthless but also of all holdings suffering uniformly adverse business conditions. Specifically, the Fund's Trust Deed and Securities Commission's Guidelines on Unit Trust Funds limits the Fund's exposure to a single entity/industry sector to a certain percentage of its NAV.

(f) Market risk

(i) Profit rate risk

Profit rate risk is uncertainties resulting from fluctuations in the prevailing level of market profit rates on its Islamic investments and financial position.

As at reporting date, the Fund has no floating rate financial instruments and thus does not have significant exposure to profit rate risk.

(ii) Equity price risk

Equity price risk is the risk of unfavourable changes in the fair values of equities as the result of changes in the levels of equity indices and the value of individual shares. The equity price risk exposure arises from the Fund's investments in quoted Shariah-compliant equity securities.

17. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(f) Market risk (cont'd.)

(ii) Equity price risk (cont'd.)

Equity price risk sensitivity

Management's best estimate of the effect on the profit/(loss) for the period and other comprehensive income due to a reasonably possible change in equity indices, with all other variables held constant is indicated in the table below:

Market Index	%	Effect on NAV Increase RM
15.10.2021		
Changes in equity price	+10	574,240
15.04.2021		
Changes in equity price	+10	589,674

* The Management assumed that the movement of FVTPL investments as at 15 October 2021 moves in line with the movement of the Bursa Malaysia KLCI index.

An equivalent decrease in each of the indices shown above would have resulted in an equivalent, but opposite impact.

In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be material.

Equity price risk concentration

The following table sets out the Fund's exposure to equity price risk based on its portfolio of quoted equity instruments as at the reporting date.

	15.10.2021		15.04.2021	
	Fair value RM	% of NAV	Fair value RM	% of NAV
Malaysia	5,742,400	78.4	5,896,739	80.5

17. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(f) Market risk (cont'd.)

(ii) Equity price risk (cont'd.)

Equity price risk concentration (cont'd.)

The Fund's concentration of equity price analysed by Fund's equity instruments by sector is as follows:

	15.10.2021		15.04.2021	
	Fair value RM	% of NAV	Fair value RM	% of NAV
Construction	564,400	7.7	491,100	6.7
Consumer Products & Services	448,800	6.1	272,800	3.7
Energy	445,000	6.1	687,600	9.4
Healthcare	235,200	3.2	347,750	4.8
Industrial Products & Services	463,750	6.3	375,110	5.1
Islamic REITs	-	-	248,444	3.4
Plantation	627,550	8.6	556,000	7.6
Property	-	-	86,400	1.2
Technology	1,128,980	15.4	1,232,260	16.8
Telecom- munications & Media	1,100,200	15.0	769,725	10.5
Transportation & Logistics	116,160	1.6	171,750	2.3
Utilities	612,360	8.4	657,800	9.0
	<u>5,742,400</u>	<u>78.4</u>	<u>5,896,739</u>	<u>80.5</u>

(g) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unit holders by the Manager are redeemable at the unit holder's option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Trust Deed.

17. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(g) Liquidity risk (cont'd.)

It is the Fund's policy that the Manager monitors the Fund's liquidity position on a daily basis. The Fund also manages its obligation to redeem units when required to do so and its overall liquidity risk by requiring a 3-day notice period before redemptions.

The Manager's policy is to always maintain a prudent and sufficient level of liquid assets so as to meet normal operating requirements and expected redemption requests by unit holders. Liquid assets comprise cash, Islamic deposits with financial institutions and other Islamic money market instruments which are capable of being converted into cash within 7 days.

	Less than 1 month RM	Total RM
15.10.2021		
Financial assets:		
Financial assets at FVTPL	5,742,400	5,742,400
Islamic deposits with financial institutions	1,809,115	1,809,115
Amount due from broker	17,174	17,174
Other assets	17,333	17,333
	<hr/>	<hr/>
Total undiscounted financial assets	7,586,022	7,586,022
	<hr/>	<hr/>
Financial liabilities:		
Other financial liabilities	270,602	270,602
	<hr/>	<hr/>
Total undiscounted financial liabilities	270,602	270,602
	<hr/>	<hr/>
NAV attributable to unit holders	7,315,420	7,315,420
	<hr/>	<hr/>
Liquidity (gap)/surplus	-	-
	<hr/>	<hr/>

17. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(g) Liquidity risk (cont'd.)

	Less than 1 month RM	Total RM
15.04.2021		
Financial assets:		
Financial assets at FVTPL	5,896,739	5,896,739
Islamic deposits with financial institutions	1,466,148	1,466,148
Other financial assets	44,150	44,150
	<hr/>	<hr/>
Total undiscounted financial assets	7,407,037	7,407,037
	<hr/>	<hr/>
Financial liabilities:		
Other financial liabilities	78,222	78,222
	<hr/>	<hr/>
Total undiscounted financial liabilities	78,222	78,222
	<hr/>	<hr/>
NAV attributable to unit holders	7,328,815	7,328,815
	<hr/>	<hr/>
Liquidity (gap)/surplus	-	-
	<hr/>	<hr/>

(i) Financial Assets

Analysis of financial assets at FVTPL into maturity groupings is based on the expected date on which these assets will be realised. Quoted Shariah-compliant equity instruments have been included in the "Less than 1 month" on the assumption that these are highly liquid investments which can be realised should all of the Fund's unit holders' capital are required to be redeemed. For Islamic deposits with financial institutions and other assets, the analysis into maturity groupings is based on the behavioural cash flows, i.e. remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected date on which the assets will be realised/maturity dates of debt securities.

17. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(g) Liquidity risk (cont'd.)

(ii) Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

(iii) Equity

As unit holders can request for redemption on their units by giving the Manager a 3-day notice period, they have been categorised as having a maturity of "Less than 1 month". As a result, it appears that the Fund has a liquidity gap within "Less than 1 month". However, the Fund believes that it would be able to liquidate other investments should the need arise to satisfy all the redemption requirements of the Fund.

(h) Credit risk

Credit concentration

Credit concentration risk is associated with the number of underlying Islamic investments or Islamic financial institutions which a Fund invests in or place deposits with. As the Fund is allowed to place Islamic deposits and/or invest in Islamic money market instruments wholly with a single financial institution, the NAV per unit of the Fund would be affected if the financial institution is not able to make timely payments of profit and/or principal.

Credit default

This refers to the creditworthiness of the respective Islamic financial institutions which Islamic deposits are placed with and their ability to make timely payment of principal and profit. If the Islamic financial institutions become insolvent, the Fund may suffer capital losses with regards to the capital invested and profit foregone, causing the performance of the Fund to be adversely affected.

17. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(i) Reclassification of Shariah status risk

There is a risk that the currently held Shariah-compliant securities in the portfolio of Funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory Council of the Securities Commission which is performed twice yearly. If this occurs, the value of the Fund may be affected whereby the Manager will then take the necessary steps to dispose of such securities in accordance with the Shariah Advisory Council's Resolutions and Guidelines.

18. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund's approved fund size and units in issue at the end of the financial period is disclosed in Note 10(a).

The Fund's objectives for managing capital are:

- (a) To invest in Islamic investments meeting the description, risk exposure and expected return indicated in its prospectus;
- (b) To achieve consistent returns while safeguarding capital by using various Islamic investment strategies;
- (c) To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise; and
- (d) To maintain sufficient fund size to make the operation of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current financial period.

CORPORATE INFORMATION

MANAGER	MIDF Amanah Asset Management Berhad Registration No: 197201000162 (11804-D)
REGISTERED OFFICE	Level 21, Menara MIDF, 82, Jalan Raja Chulan, 50200 Kuala Lumpur Tel: 03 - 2173 8888
BUSINESS OFFICE	Level 3A, Menara MIDF, 82, Jalan Raja Chulan, 50200 Kuala Lumpur Tel: 03 - 2173 8488 (Customer Service Line) Fax: 03 - 2173 8555 E-mail: midfamanah@midf.com.my Website: www.midf.com.my/index.php/en/what-we-do-en/asset-management
TRUSTEE	AmanahRaya Trustees Berhad (766894-T) Tingkat 14, Wisma AmanahRaya, No. 2, Jalan Ampang, 50508 Kuala Lumpur
BOARD OF DIRECTORS	Hasnah Omar – Chairman Dato' Charon Wardini Mokhzani Datuk Joseph Dominic Silva Tai Keat Chai Ahlan Nasri Mohd Nasir Hasman Yusri Yusoff Mohamed Sany Mohamed Zainudin
INVESTMENT COMMITTEE MEMBERS	Hasman Yusri Yusoff – Chairman Tai Keat Chai Ahlan Nasri Mohd Nasir
BOARD AUDIT AND RISK MANAGEMENT COMMITTEE MEMBERS	Tai Keat Chai – Chairman Hasnah Omar Hasman Yusri Yusoff
COMPANY SECRETARIES	Hadidah Amin (LS 05402) Lailatul Mardhiyah Said Abdullah [LS0010110]
AUDITOR	Ernst & Young Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur
TAX ADVISER	Ernst & Young Tax Consultants Sdn Bhd Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur

CORPORATE INFORMATION (CONT'D.)

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