



**ANNUAL  
REPORT**

For The Year Ended  
15th January 2023

## MIDF AMANAH ASSET MANAGEMENT BERHAD

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

15th January 2023

Dear Unit Holders:

### FUND CATEGORY AND TYPE

Fund Category	Equity Fund
Fund Type	Smallcap Fund

### ASSET ALLOCATION AS AT 15 JANUARY 2023

Shariah-Compliant Equities	86.2%
Islamic Money Market Instruments and Others	13.8%

### PERFORMANCE OF THE FUND

MIDF Amanah Strategic Fund ("MASF")	15/01/2023	15/01/2022	%
Net Asset Value ("NAV") (RM)	14,640,818	15,433,618	-5.14
NAV per Unit (RM)	1.0768	1.0745	0.21
FBM Small Cap Shariah Index ("FBMSCSM")*	14,091.14	14,500.39	-2.82

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

For the year ended 15 January 2023, the NAV per unit of MASF increased by +0.21%, outperforming the FBMSCSM as the benchmark registered a return of -2.82%.

The key objective of MASF is to achieve long-term capital growth through investment in smaller, high growth companies. For the period under review, the fund has outperformed its benchmark by +3.03% despite the challenging market environment, and met its objective in achieving capital growth.

The FBMSCSM has been identified as the benchmark for MASF as it is the closest comparable index.

## EQUITY MARKET REVIEW

After a strong 2021, it has been a rough start to the year 2022 for equity markets globally, which largely declined in January. High inflation, tensions in eastern Europe, and guidance from Federal Reserve (“Fed”) Chair Jerome Powell, who suggested a hike in March is highly likely, roiled markets and led to a sharp increase in volatility. Commodities that provide better protection against this inflationary backdrop rallied, with Brent oil reaching USD90 a barrel for the first time since October 2014, driven by falling oil stockpiles in the US. The weaknesses seen on the global front have prompted the International Monetary Fund (“IMF”) to downgrade its world economic growth forecast for 2022 to 4.4% from 5.9%.

The declining trend continued in February and March as investors tried to digest the implications of Russia’s invasion of Ukraine. The invasion has caused a global shock, with equities declining and bond yields rising. Moreover, since Russia and Ukraine are key producers of several important commodities, the invasion contributed to a further surge in inflation and supply chain disruptions. Elsewhere, Chinese equities were negatively affected by renewed Covid-19 outbreaks, leading to new lockdowns in some major cities.

Equity markets continued declining in April as the global markets were reeling from the ongoing war in Ukraine, lockdowns in China, continued supply chain disruptions, and expectations that US interest rates could rise swiftly. Global equity markets ended in May mostly mixed, as worries over rising inflation and a potentially faster pace of central bank tightening, as well as the ongoing war in Ukraine, continued to dominate the markets. Our benchmark index, FBM KLCI, registered a loss of -1.90% in May, following a turbulent month.

In June, markets started in a weak position as worries over rising inflation, a potentially faster pace of central bank tightening, and the ongoing war in Ukraine continued to dominate market sentiments in June. However, the markets rebounded in July as investors began to focus on the prospect of interest rate cuts next year, given signs of a slowing global economy after aggressive monetary tightening from central banks worldwide, with growth stocks as the primary beneficiaries.

The central banks’ commitments to bringing inflation under control, despite the inherent risks to the growth outlook, shook equity markets in August, echoed by Federal Reserve Chair Jerome Powell in his Jackson Hole speech that the central bank will not back off in its fight against rapid inflation. All in all, the uncertainty level about the global economic outlook remained elevated, reflected by the poor performance of developed countries stock markets that were largely in the red.

Global equity markets continued the downtrend in September due to US Federal Reserve’s 0.75% rate hike and higher-than-expected inflation data. The weakness in the US markets was exacerbated by the European Central Bank’s decision to raise interest rates by 75 bps in September, following a rise of 50 bps in July, and the UK’s currency crisis after announcing a plan to cut taxes for top earners.

The markets recovered in October, after several weeks of declines, driven by positive earnings season. The gain came despite the Federal Reserve confirming that tighter monetary policy is still needed to contain elevated inflation. While other markets were largely in green, only China ended in the red as the Communist Party Congress signaled no let-up in the zero-Covid policy and reinforced President Xi's authority.

The improved investors sentiment continued in November, especially the emerging markets equities which outperformed developed markets counterparts after the release of some economic data which fueled hope that US inflation may have already peaked, paving the way for the pace of interest rate hikes to slow. Further support for shares also came from signs of China loosening its strict Covid rules, which have weighed on economic activity.

Stock markets were down in December but rounded off a tumultuous year with gains in Q4. US equities made robust gains in the last quarter of the year, with much of the progress made in November. Investors were relieved that the ongoing caution from the Federal Reserve has eased with indications that the pace of policy tightening would slow and signs that elevated inflation could be cooling. Wrapping up the year 2022, major equity indices ended broadly lower with Dow Jones declining by 8.78%, S&P (-19.44%) and NASDAQ (33.10%). Meanwhile, most regional markets saw negative returns with South Korea's KOSPI suffering the most at -24.90%, followed by Hong Kong's Hang Seng Index (-15.50%) and China's Shanghai Composite Index (-15.10%).

Over the year, the performance of the key benchmark, FBMKLCI was rather lackluster with a negative return of 4.60%. Amongst regional peers, Singapore's Strait Times Index was the top performer with a 4.10% gain. This was followed by Indonesia's Jakarta Composite Index and Thailand's SET Index with 4.10% and 0.7% gains respectively.

For the period under review, the Fund's benchmark FBMSCSM closed at 14,091.14 points or down by 2.82%, outperforming the FBMKLCI and FBM Emas Hijrah Syariah Index which posted returns of -4.60% and -10.80% respectively.

## INVESTMENT OUTLOOK AND STRATEGY

In general, inflationary pressures have been the key challenge for global financial markets in 2022. Supply chain disruptions forced commodity prices to multi-year highs in early 2022. Russia's invasion of Ukraine in February has further exacerbated the readily acute commodity shortages.

In pursuit to tame the alarming inflation, global central banks embarked on aggressive monetary tightening policies with the Fed instituted seven consecutive rate hikes of 425 bps (4.25% - 4.5%) to cool down inflation. This has prompted Bank Negara Malaysia to raise the OPR by 100 bps to 2.75%.

After hitting their peaks in the 1H2022, commodity prices started to ease on fears over a potential economic recession in 2023. Already, slower global demand is weighing on expectation of a slower global growth. The IMF projects global growth of 2.7% in 2023 from 3.2% in 2022, citing the impact of tightening monetary policy triggered by persistently high and broad-based inflation and ongoing supply disruptions and food insecurity as a result of Russia's invasion of Ukraine.

The market backdrop in 2023 may be substantially different from the last two years, progressing out of pandemic. Higher inflation and interest rate are expected to reverse or at least stabilize in 2023. Emerging Market (EM) equities may have an asymmetric return profile in 2023 and likely to gain a firmer footing, to be driven by several catalysts, including:

- Easing inflation below its peak
- Fed and other central banks may pause rate hikes with potential rate cut in late 2023
- The greenback will start losing steam, easing the pressure on emerging markets
- Recession risks in the United States and EU
- Shift in policies in China from zero-Covid toward growth
- Growing intra-ASEAN trade will partially cushioning the slump in exports to the US, EU and China
- Global endemic, with no more pandemic concerns by the end of 2023

Capital flows will likely return in the near term following a stable new government, clarity on the government policies in Malaysia and easing global risk aversion, but downside risks remain from further US Fed rate hikes and greater divergence in Bank Negara Malaysia and Fed policy rates (1H2023).

The outlook for FBM KLCI is expected to remain bumpy in 2023 and investors are expected to tread cautiously with nimble investing and adopt tactical strategy in light of the highly volatile market conditions. Overall, the Malaysian economy expanded by 9.3% in the first three quarters of 2022 whilst the headline inflation has peaked at 4.7% in August 2022.

The FBMKLCI which is currently trades at -1.9 standard deviation (STD) below 5-year mean (a sharp correction from its peak of +1.5 STD in December 2020 when the index was at 1,685 points), provides a good opportunity for value investors to enter Malaysian equities, while the solid dividend yield of 4.07% further improve the total returns for investors. From a multiple forward valuation of 13x (E) PER for 2023, the index is trading well below its 5-year mean of 18x PER.

Taking cognizant of macro headwinds with confluence of challenging economic outlook, it is imperative to have a defensive and prudent approach in navigating the uncertainties. Strategy going forward will be anchored on positioning the portfolio going into year 2023:

- Focus on recovery/re-opening and structural growth themes. For recovery themes, we focus on value and cyclical growth sectors such as Consumer Discretionary, Healthcare (Hospital/Pharmaceutical) Telecommunication, Energy, Industrials and Materials. We also expect to see pick up in laggard sectors such as Transportation and Aviation. For structural growth themes, we like sectors such as Technology and Renewable Energy which valuations have become attractive following the recent selloff.
- Remain buyers on market weakness, taking opportunities to buy selectively on dips, astute stock picking, nibbling value, and cyclical names on weakness, with core holdings in growth, defensive, and high-yielding stocks.
- A balance portfolio with a combination of value and growth stocks remains relevant in navigating the highly volatile market conditions. Our focus will anchor on building value stocks with quality tilt (strong cash flow and solid earnings growth) and appealing dividends to minimize downside risks or value contraction whilst capturing alpha on the potential upside.
- Active asset allocation strategy with a more defensive approach is pivotal as market prices are likely to correct materially lower in a scenario of economic slowdown (recession fears), with the resulting downward earnings revisions on the back of the generally bearish sentiment. Hence, we reiterate the case for a prudent and defensive asset allocation to risky assets going into 2023, waiting for more visibility on corporate earnings growth.
- We will continue to remain committed towards our Sustainable Responsible Investment (“SRI”) as well as Environmental, Social, and Governance (“ESG”) themes across our investment approach, reinforced by our product launches as well as investment solutions/ value propositions.

## CURRENT PROFILE OF UNITHOLDINGS BY SIZE

Size of Unitholdings	No. of Unit holders	No. of Units Held	% of Unit holders
5,000 and below	1,844	2,037,788	74.99
5,001 to 10,000	246	1,727,728	10.00
10,001 to 50,000	315	6,212,293	12.81
50,001 to 500,000	54	3,618,995	2.20
500,001 and above	-	-	-
	<b>2,459</b>	<b>13,596,804</b>	<b>100.00</b>

## PORTFOLIO COMPOSITION

	As at 15.01.2023 %	As at 15.01.2022 %	As at 15.01.2021 %
Construction	15.00	5.80	10.80
Consumer Products	22.50	9.70	12.50
Energy	7.40	1.20	3.90
Healthcare	0.40	0.60	6.40
Industrial Products & Services	20.10	34.80	21.40
Plantation	0.50	0.60	-
Technology	18.30	33.40	24.40
Telecommunications & Media	0.60	-	-
Transportation & Logistics	-	0.60	6.90
Warrants	1.40	0.80	-
Cash and other Net Assets	13.80	12.50	13.70
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## PERFORMANCE DATA

		As at 15.01.2023	As at 15.01.2022	As at 15.01.2021
NAV	[RM]	14,640,818	15,433,618	16,319,892
Units in Circulation	[Units]	13,596,804	14,363,314	15,015,972
NAV per Unit	[RM]	1.0768	1.0745	1.0868
Highest NAV*	[RM]	1.0874	1.2038	1.0888
Lowest NAV*	[RM]	0.9318	0.9948	0.6371
Total Return: - Capital Growth	[%]	0.21	-1.13	8.89
- Income Distribution		Nil	Nil	Nil
Total Expense Ratio (TER) <sup>1</sup>	[%]	1.77	1.76	1.74
Portfolio Turnover Ratio (PTR) <sup>2</sup>	[x]	0.71	0.81	1.09

### Notes:

\* The highest / lowest selling and buying prices are adjusted prices after taking into account the distribution of income made at the financial year-end ("FYE").

<sup>1</sup> The TER for 2023 was at 1.77%, relatively flat compared to 2022's of 1.76%.

<sup>2</sup> The PTR for 2023 was lower at 0.71 times as compared to 0.81 times in 2022 due to lower trading activity amid high uncertainties during the period under review.

## ANNUAL TOTAL RETURN

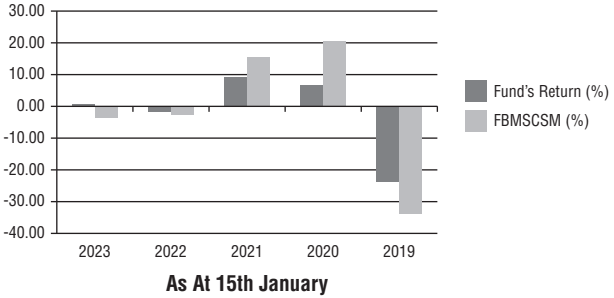
MIDF AMANAH STRATEGIC FUND				
As At 15th January	2023	2022	2021	2020
Fund's Return (%)	0.21	-1.13	8.89	6.73
*FBMSCSM (%)	-2.82	-1.61	15.32	20.29

\* Source: Bloomberg

Note: Effective 1 June 2018, FBMSCSM has been identified as the new benchmark for MASF 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. FBMSCSM) for year 2018 are not available.



## MIDF AMANAH STRATEGIC FUND



## AVERAGE TOTAL RETURN

	The Fund	*FBMSCSM
One Year	0.21%	-2.82%
Three Years	7.88%	10.25%

*\*Note: Effective 1 June 2018, FBMSCSM has been identified as the new benchmark for MASF 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. FBMSCSM) 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

Shan Kamahl Mohammad  
Director

Date: 23 February 2023

## MANAGER'S REPORT

The Manager hereby submit its report and the audited financial statements of the MIDF Amanah Strategic Fund ("the Fund") for the financial year ended 15 January 2023.

## PRINCIPAL ACTIVITIES OF THE MANAGER

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

There have been no significant changes in these principal activities during the financial year.

## INVESTMENTS OF THE FUND

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

<b>Sector</b>	<b>Aggregate cost as at 16.01.2022 RM</b>	<b>Acquisitions RM</b>	<b>Cost Of Sale RM</b>	<b>Aggregate cost as at 15.01.2023 RM</b>
Construction	1,059,630	1,740,198	(515,159)	2,284,669
Consumer Products & Services	1,589,261	4,210,132	(2,853,067)	2,946,326
Energy	190,557	1,178,381	(385,549)	983,389
Health Care	65,289	-	-	65,289
Industrial Products & Services	5,066,787	1,438,544	(3,929,503)	2,575,828
Plantation	100,028	45,396	(74,665)	70,759
Technology	4,507,916	1,224,685	(3,640,864)	2,091,737
Telecom- munications & Media	-	69,840	-	69,840
Transportation & Logistics	112,022	-	(112,022)	-
	<u>12,691,490</u>	<u>9,907,176</u>	<u>(11,510,829)</u>	<u>11,087,837</u>

## Results

Net loss after tax	<u>RM</u> 10,971
--------------------	---------------------

In the opinion of the Manager, the results of the operations of the Fund during the financial year has not been substantially affected by any item, transaction or event of a material and unusual nature.

## **INVESTMENT OBJECTIVE**

The objective of the Fund is to achieve long term capital growth through investments in smaller, high growth companies.

## **MANAGEMENT FEES**

During the financial year, the Manager is entitled to a management fee of RM214,758 (2022: RM242,957). The Manager's fee is computed on a daily basis at 1.50% (2022: 1.50%) per annum of the Net Asset Value ("NAV") of the Fund before deducting the Manager's and Trustee's fees for that particular day.

## **DISTRIBUTION**

Unit holders have the option of requesting that income due to them on any income distribution be reinvested in the Fund, if any. The reinvestments will be based on the NAV per Unit (ex-distribution) at the close of the date the income distribution is declared. Sales charge will not be imposed on the income distribution reinvestments. The Manager reserves the right to reinvest income distributed in respect of a Fund, which is less than RM250.00, in additional Units of the Fund at the NAV per Unit of the Fund at the close of the date the income distribution is declared.

Distribution cheques issued to unit holders will become void after 6 months from the distribution payment date. Upon the expiry of the cheque, if it has not been presented for payment, it would be reinvested automatically into Units of the respective Fund at NAV per Unit valued on the date of the expiry of the cheque.

The Manager did not propose any distribution for the financial year ended 15 January 2023 (2022: Nil).

## **UNIT SPLIT**

No unit split was made during the financial year ended 15 January 2023 (2022: 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**

The Manager or any delegate thereof will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investment of the Fund.

However, soft commissions may be retained by the Manager and its delegate for payment of goods and services such as research material, data and quotation services and investment management tools, which are of demonstrable benefit to unit holders.

## **DIRECTORS OF THE MANAGER**

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

Hasnah Omar

Datuk Joseph Dominic Silva

Tai Keat Chai

Hasman Yusri Yusoff

Norziana Mohd Inon (Appointed effective 27 May 2022)

Shan Kamahl Mohammad (Appointed effective 10 October 2022)

Ahlan Nasri Mohd Nasir (Resigned effective 2 March 2022)

Dato' Charon Wardini Mokhzani (Resigned effective 17 May 2022)

Mohamed Sany Mohamed Zainudin (Resigned effective 7 July 2022)

For and on behalf of the Manager

**MIDF Amanah Asset Management Berhad**

**HASNAH OMAR**

Director

**SHAN KAMAHL MOHAMMAD**

Director

Kuala Lumpur, Malaysia

Date: 23 February 2023

**TRUSTEE'S REPORT  
FOR THE FINANCIAL YEAR ENDED 15 JANUARY 2023**

**To the unit holders of  
MIDF AMANAH STRATEGIC FUND (“Fund”)**

We have acted as Trustee of the Fund for the financial year ended 15 January 2023 and we hereby confirm 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 year covered by these financial statements in accordance with the following:

- 1 Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
- 2 Valuation and pricing is carried out in accordance with the deed; and
- 3 Any 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

Date: 13 February 2023

**SHARIAH ADVISER'S REPORT  
FOR THE FINANCIAL YEAR ENDED 15 JANUARY 2023**

**To the unit holders of  
MIDF AMANAH STRATEGIC 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 instruments that have been classified as Shariah-compliant.

The Shariah Committee of MIDF Amanah Investment Bank Berhad as Shariah Adviser for **MIDF AMANAH STRATEGIC 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: 13 February 2023

## STATEMENT BY MANAGER

We, Hasnah Omar and Shan Kamahl Bin Mohammad, being two of the Directors of MIDF Amanah Asset Management Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 18 to 47 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 Strategic Fund as at 15 January 2023 and of its financial performance and cash flows for the financial year then ended.

On behalf of the Manager

**MIDF Amanah Asset Management Berhad**

**HASNAH OMAR**

Director

**SHAN KAMAHL MOHAMMAD**

Director

Kuala Lumpur, Malaysia

Date: 23 February 2023

## **Report on the audit of the financial statements**

### ***Opinion***

We have audited the financial statements of MIDF Amanah Strategic Fund (the "Fund"), which comprise the statement of financial position as at 15 January 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 18 to 47.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 15 January 2023, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

### ***Basis for opinion***

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Independence and other ethical responsibilities***

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### ***Information other than the financial statements and auditors' report thereon***

The Manager of the Fund ("the Manager") is responsible for the other information. The other information comprises the information included in the Manager's report and annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



***Responsibilities of the Manager and Trustee for the financial statements***

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

***Auditors' responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

## INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MIDF AMANAH STRATEGIC FUND (CONT'D.)

### ***Auditors' responsibilities for the audit of the financial statements (cont'd.)***

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Other matters**

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT  
202006000003  
(LLP0022760-LCA) & AF 0039  
Chartered Accountants

Yap Kah Foo  
No. 03574/05/2023 J  
Chartered Accountant

Kuala Lumpur, Malaysia  
Date: 23 February 2023

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 15 JANUARY 2023**

	Note	2023 RM	2022 RM
<b>INVESTMENT INCOME</b>			
Dividend income		710,544	250,664
Profit income from Islamic deposits with financial institutions		59,153	38,655
Net loss from financial assets at fair value through profit or loss ("FVTPL")	7	<u>(440,558)</u>	<u>(79,447)</u>
		<u>329,139</u>	<u>209,872</u>
<b>EXPENSES</b>			
Manager's fee	3	(214,758)	(242,957)
Trustee's fee	4	(11,454)	(12,958)
Brokerage fee		(50,390)	(65,904)
Auditors' remuneration		(7,000)	(6,500)
Tax agent's fee		(3,560)	(2,200)
Administrative expenses		<u>(52,948)</u>	<u>(49,800)</u>
		<u>(340,110)</u>	<u>(380,319)</u>
<b>Net loss before tax</b>		(10,971)	(170,447)
Income tax expense	5	<u>-</u>	<u>-</u>
<b>Net loss after tax representing total comprehensive loss for the financial year</b>		<u>(10,971)</u>	<u>(170,447)</u>
Net loss after tax is made up of the following:			
Net realised (loss)/gain		(738,078)	406,457
Net unrealised gain/(loss)		<u>727,107</u>	<u>(576,904)</u>
		<u>(10,971)</u>	<u>(170,447)</u>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 15 JANUARY 2023**

	Note	2023 RM	2022 RM
<b>ASSETS</b>			
Financial assets at FVTPL	7	12,624,241	13,500,787
Islamic deposits with financial institutions	8	2,040,166	1,936,076
Other receivables		23,375	20,225
Amount due from brokers		-	83,140
Cash at bank		6,396	1,350
<b>TOTAL ASSETS</b>		<u>14,694,178</u>	<u>15,541,578</u>
<b>LIABILITIES</b>			
Other payables		24,501	25,166
Amount due to brokers		-	50,215
Due to Manager		27,334	30,866
Due to Trustee		1,525	1,713
<b>TOTAL LIABILITIES</b>		<u>53,360</u>	<u>107,960</u>
<b>EQUITY</b>			
Unit holders' capital	10(a)	(14,693,914)	(13,912,085)
Retained earnings	10(b), 10(c)	29,334,732	29,345,703
<b>TOTAL EQUITY, REPRESENTING NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>14,640,818</u>	<u>15,433,618</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>14,694,178</u>	<u>15,541,578</u>
<b>UNITS IN CIRCULATION</b>	10(a)	<u>13,596,804</u>	<u>14,363,314</u>
<b>NAV PER UNIT (RM)</b>		<u>1.0768</u>	<u>1.0745</u>

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 15 JANUARY 2023**

	<b>Unit holders' capital Note 10(a) RM</b>	<b>Retained earnings Note 10(b) and (c) RM</b>	<b>Total equity RM</b>
As at 16 January 2021	(13,196,258)	29,516,150	16,319,892
Total comprehensive loss for the financial year	-	(170,447)	(170,447)
Creation of units	342,762	-	342,762
Distribution equalisation	(270,362)	-	(270,362)
Cancellation of units	(788,227)	-	(788,227)
As at 15 January 2022	<u>(13,912,085)</u>	<u>29,345,703</u>	<u>15,433,618</u>
As at 16 January 2022	(13,912,085)	29,345,703	15,433,618
Total comprehensive loss for the financial year	-	(10,971)	(10,971)
Creation of units	92,533	-	92,533
Distribution equalisation	(291,328)	-	(291,328)
Cancellation of units	(583,034)	-	(583,034)
As at 15 January 2023	<u>(14,693,914)</u>	<u>29,334,732</u>	<u>14,640,818</u>

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

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 15 JANUARY 2023**

	Note	2023 RM	2022 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>			
Proceeds from sale of investments		10,381,813	13,343,656
Purchase of investments		(9,999,619)	(12,835,295)
Dividends received		705,975	244,781
Profit income received		58,872	38,580
Manager's fee paid		(218,290)	(242,244)
Trustee's fee paid		(11,642)	(12,920)
Auditor's remuneration paid		(7,000)	(6,500)
Tax agent's fee paid		(2,960)	(4,400)
Payment for other fees and expenses		<u>(16,184)</u>	<u>(50,137)</u>
Net cash generated from operating and investing activities		<u>890,965</u>	<u>475,521</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		149,208	553,991
Cash payment for units cancelled		<u>(931,037)</u>	<u>(1,269,818)</u>
Net cash used in financing activities		<u>(781,829)</u>	<u>(715,827)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		109,136	(240,306)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>			
		<u>1,937,426</u>	<u>2,177,732</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>			
		<u>2,046,562</u>	<u>1,937,426</u>
Cash and cash equivalents comprise:			
Cash at bank		6,396	1,350
Islamic deposits with financial institutions	8	<u>2,040,166</u>	<u>1,936,076</u>
		<u>2,046,562</u>	<u>1,937,426</u>

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

**1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

MIDF Amanah Strategic Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 1 June 1970 and the various Supplemental Deeds between Asia Unit Trusts Berhad (“AUTB”), 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 obligation 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 Funds 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 Strategic Fund.

The principal activity of the Fund is to invest in Authorised Investments as defined in the Deed, which includes Shariah-compliant securities quoted on the Bursa Malaysia Berhad (“Bursa Malaysia”), Islamic deposits and any other form of Islamic financial facility with licensed financial institutions. 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 respectively. 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 financial statements were approved and authorised for issue by the Board of Directors of the Manager in accordance with a resolution of the directors on 23 February 2023.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

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

### (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 year. 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 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.

Description	Effective for annual periods beginning on or after
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 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17: <i>Initial Application of MFRS 17 and MFRS 9 – Comparative Information</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



## 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 112: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
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.

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

#### (i) Financial assets at FVTPL

A financial asset is measured at FVTPL 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.

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

### (c) Financial assets (Cont'd.)

#### (i) Financial assets at FVTPL (Cont'd.)

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'. Dividend income elements of such instruments are recorded separately as 'Dividend income'. 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 SPPI 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, Islamic financial assets are measured at amortised cost using the effective profit rate method. Gains and losses are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

### (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.

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

### (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 year.

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.

### (g) Unit holders' capital

The unit holders' contributions to the Fund meet the definition of puttable instruments classified as Shariah-compliant 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.

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

### (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 Islamic placements with banks and other Islamic financial institutions with an original maturity of three months or less, 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 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 warrants 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 judgements**

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 judgements 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 year.

## **3. MANAGER'S FEE**

The Manager's fee is computed on a daily basis at 1.50% (2022: 1.50%) 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% (2022: 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

	2023 RM	2022 RM
Charge for the financial year	-	-

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

The tax charge for the financial year 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 loss before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	2023 RM	2022 RM
Net loss before tax	(10,971)	(170,447)
Tax at Malaysian statutory tax rate of 24%	(2,633)	(40,907)
Effect of income not subject to tax	(184,727)	(69,437)
Expenses not deductible for tax purposes	187,360	110,344
Tax expense for the financial year	-	-

## 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

	2023 RM	2022 RM
Financial assets at FVTPL:		
Quoted Shariah-compliant securities	12,418,483	13,393,737
Quoted Shariah-compliant warrants	205,758	107,050
	12,624,241	13,500,787
Net loss on financial assets at FVTPL comprised:		
Realised (loss)/gain on disposals	(1,167,665)	497,457
Unrealised gain/(loss) in fair value	727,107	(576,904)
	(440,558)	(79,447)

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

Financial assets at FVTPL as at 15 January 2023 are as detailed below:

Name of Counter	Quantity/ nominal amount Units	Cost RM	Fair value RM	% of NAV %
<b>QUOTED SHARIAH-COMPLIANT SECURITIES</b>				
<b>Construction</b>				
Gamuda Berhad	285,000	1,058,250	1,100,100	7.5
IJM Corporation Berhad	320,000	552,897	499,200	3.4
Sunway Construction Group Berhad	370,000	673,522	603,100	4.1
	<u>975,000</u>	<u>2,284,669</u>	<u>2,202,400</u>	<u>15.0</u>
<b>Consumer Products and Services</b>				
Berjaya Food Berhad	1,084,800	942,902	1,079,376	7.4
Bermaz Auto Berhad	426,100	765,591	860,722	5.9
Farm Fresh Berhad	40,000	63,750	64,800	0.4
MBM Resources Berhad	200,000	679,100	690,000	4.7
Perak Transit Berhad	109,100	75,617	138,557	1.0
Power Root Berhad	221,900	419,366	454,895	3.1
	<u>2,081,900</u>	<u>2,946,326</u>	<u>3,288,350</u>	<u>22.5</u>
<b>Energy</b>				
Hibiscus Petroleum Berhad	550,000	550,086	605,000	4.1
Wah Seong Corporation Berhad	697,800	433,303	481,482	3.3
	<u>1,247,800</u>	<u>983,389</u>	<u>1,086,482</u>	<u>7.4</u>
<b>Health Care</b>				
Pharmaniaga Berhad	114,000	65,289	60,420	0.4

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

Financial assets at FVTPL as at 15 January 2023 are as detailed below (Cont'd.):

Name of Counter	Quantity/ nominal amount Units	Cost RM	Fair value RM	% of NAV %
<b>QUOTED SHARIAH-COMPLIANT SECURITIES (CONT'D.)</b>				
<b>Industrial Products and Services</b>				
Foundpac Group Berhad	1,106,700	589,200	558,884	3.8
Leform Berhad	1,000,000	212,980	225,000	1.5
P.I.E Industrial Berhad	253,400	770,611	717,122	4.9
Sam Engineering & Equipment (M) Berhad	130,600	233,540	639,940	4.4
SKP Resources Berhad	130,000	211,965	217,100	1.5
Uchi Technologies Berhad	181,200	557,532	581,652	4.0
	<b>2,801,900</b>	<b>2,575,828</b>	<b>2,939,698</b>	<b>20.1</b>
<b>Plantation</b>				
Sarawak Oil Palms Berhad	30,350	70,759	80,124	0.5
<b>Technology</b>				
D & O Green Technologies Berhad	44,000	172,921	205,040	1.4
Inari Amertron Berhad	131,200	355,016	347,680	2.4
KESM Industries Berhad	39,200	322,044	270,088	1.8
MY E.G.Services Berhad	492,200	405,561	447,901	3.1
Pentamaster Corporation Berhad	10,000	36,147	49,000	0.3
Vitrox Corporation Berhad	170,000	800,048	1,358,300	9.3
	<b>886,600</b>	<b>2,091,737</b>	<b>2,678,009</b>	<b>18.3</b>



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

Financial assets at FVTPL as at 15 January 2023 are as detailed below (Cont'd.):

Name of Counter	Quantity/ nominal amount Units	Cost RM	Fair value RM	% of NAV %
<b>QUOTED SHARIAH-COMPLIANT SECURITIES (CONT'D.)</b>				
<b>Telecommunication &amp; Media</b>				
Digi.Com Berhad	20,000	69,840	83,000	0.6
<b>TOTAL QUOTED SHARIAH-COMPLIANT SECURITIES</b>	<b>8,157,550</b>	<b>11,087,837</b>	<b>12,418,483</b>	<b>84.8</b>
<b>QUOTED SHARIAH-COMPLIANT WARRANTS</b>				
<b>Transportation &amp; Logistics</b>				
GDEX Berhad	100,000	-	5,500	-
<b>Consumer Products and Services</b>				
Perak Transit Berhad	357,000	-	189,210	1.3
<b>Industrial Products and Services</b>				
V.S. Industry Berhad	110,480	-	11,048	0.1
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	<b>8,725,030</b>	<b>11,087,837</b>	<b>12,624,241</b>	<b>86.2</b>
<b>ACCUMULATED UNREALISED GAIN</b>			<b>1,536,404</b>	

## 8. ISLAMIC DEPOSITS WITH ISLAMIC FINANCIAL INSTITUTIONS

	2023 RM	2022 RM
Islamic deposits with licensed banks	<u>2,040,166</u>	<u>1,936,076</u>

The effective average profit rate for short-term Islamic placements as at 15 January 2023 is 2.63% (2022: 1.69%) per annum. The average maturity of the deposits as at 15 January 2023 is 3 days (2022: 3 days).

## 9. SHARIAH INFORMATION OF THE FUND

The Shariah Adviser has confirmed that the Islamic 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	2023 RM	2022 RM
Unit holders' capital	(a)	(14,693,914)	(13,912,085)
Retained earnings			
- Realised and distributable	(b)	27,798,328	28,536,406
- Unrealised reserve and non-distributable	(c)	<u>1,536,404</u>	<u>809,297</u>
Total equity		<u>14,640,818</u>	<u>15,433,618</u>

### (a) Unit holders' capital

	2023		2022	
	No. of units	RM	No. of units	RM
As at the beginning of the financial year	14,363,314	(13,912,085)	15,015,972	(13,196,258)
Creation of units	145,203	92,533	482,575	342,762
Distribution equalisation	-	(291,328)	-	(270,362)
Cancellation of units	<u>(911,713)</u>	<u>(583,034)</u>	<u>(1,135,233)</u>	<u>(788,227)</u>
As at the end of the financial year	<u>13,596,804</u>	<u>(14,693,914)</u>	<u>14,363,314</u>	<u>(13,912,085)</u>

## 10. TOTAL EQUITY (CONT'D.)

### (b) Realised and distributable

	2023 RM	2022 RM
As at the beginning of the financial year	28,536,406	28,129,949
Net realised (loss)/income	<u>(738,078)</u>	<u>406,457</u>
As at the end of the financial year	<u>27,798,328</u>	<u>28,536,406</u>

### (c) Unrealised reserve and non-distributable

	2023 RM	2022 RM
As at the beginning of the financial year	809,297	1,386,201
Net unrealised income/(loss) attributable to investments	<u>727,107</u>	<u>(576,904)</u>
As at the end of the financial year	<u>1,536,404</u>	<u>809,297</u>

## 11. UNITS HELD BY MANAGER

For the financial year ended 15 January 2023 and 15 January 2022, no units were held by the Manager.

## 12. TRANSACTIONS WITH RELATED PARTIES AND OTHER INVESTMENT BANKS

	Value of Trade RM	% of Total Trade %	Brokerage Fees RM	% of Total Brokerage Fees %
<b>2023</b>				
Affin Hwang Investment Bank Berhad	5,007,373	24.7	12,541	25.0
CIMB Securities Berhad	6,119,516	30.2	15,320	30.4
Kenanga Investment Bank Berhad	324,400	1.6	649	1.3
Maybank Investment Bank Berhad **	3,837,802	19.0	9,619	19.1
MIDF Amanah Investment Bank Berhad *	2,100,940	10.4	5,110	10.1
Public Investment Bank Berhad	<u>2,860,308</u>	<u>14.1</u>	<u>7,151</u>	<u>14.1</u>
<b>TOTAL</b>	<u>20,250,339</u>	<u>100.0</u>	<u>50,390</u>	<u>100.0</u>

## 12. TRANSACTIONS WITH RELATED PARTIES AND OTHER INVESTMENT BANKS (CONT'D.)

	Value of Trade RM	% of Total Trade %	Brokerage Fees RM	% of Total Brokerage Fees %
<b>2022</b>				
CIMB				
Securities Berhad	7,353,339	28.1	18,483	28.1
Maybank				
Investment Bank Berhad **	5,440,531	20.8	13,736	20.8
MIDF Amanah				
Investment Bank Berhad *	4,867,124	18.6	12,193	18.5
Public Investment				
Bank Berhad	4,756,946	18.2	11,934	18.1
Affin Hwang				
Investment Bank Berhad	3,758,112	14.3	9,558	14.5
<b>TOTAL</b>	<b>26,176,052</b>	<b>100.0</b>	<b>65,904</b>	<b>100.0</b>

\* 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. TOTAL EXPENSES RATIO (“TER”)

The TER 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, auditors’ remuneration, tax agent’s fee and other administrative expenses. For the financial year ended 15 January 2023, the MER of the Fund stood at 1.77% (2022: 1.76%).

## 14. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund is the ratio of the average acquisitions and disposals of the Fund for the financial year to the average NAV of the Fund. For the financial year ended 15 January 2023, the PTR of the Fund stood at 0.71 times (2022: 0.81 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 warrants; 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.

	2023			2022		
	Quoted Shariah- compliant securities and warrants RM	Islamic deposits with financial institutions RM	Total RM	Quoted Shariah- compliant securities and warrants RM	Islamic deposits with financial institutions RM	Total RM
Dividend income	710,544	-	710,544	250,664	-	250,664
Profit income from Islamic deposits with financial institutions	-	59,153	59,153	-	38,655	38,655
Net loss from investments - financial assets at FVTPL	(440,558)	-	(440,558)	(79,447)	-	(79,447)
Total segment operating income for the financial year	<u>269,986</u>	<u>59,153</u>	<u>329,139</u>	<u>171,217</u>	<u>38,655</u>	<u>209,872</u>

## 15. SEGMENT INFORMATION (CONT'D.)

	2023			2022		
	Quoted Shariah- compliant securities and warrants RM	Islamic deposits with financial institutions RM	Total RM	Quoted Shariah- compliant securities and warrants RM	Islamic deposits with financial institutions RM	Total RM
Financial assets at FVTPL	12,624,241	-	12,624,241	13,500,787	-	13,500,787
Islamic deposits with financial institutions	-	2,040,166	2,040,166	-	1,936,076	1,936,076
Amount due from brokers	-	-	-	83,140	-	83,140
Profit receivables	-	506	506	-	225	225
Dividend receivables	22,869	-	22,869	18,300	-	18,300
Total segment assets	<u>12,647,110</u>	<u>2,040,672</u>	<u>14,687,782</u>	<u>13,602,227</u>	<u>1,936,301</u>	<u>15,538,528</u>
Amount due to brokers	-	-	-	50,215	-	50,215
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,215</u>	<u>-</u>	<u>50,215</u>

## 15. SEGMENT INFORMATION (CONT'D.)

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

	<b>2023</b> <b>RM</b>	<b>2022</b> <b>RM</b>
Net reportable segment operating income	329,139	209,872
Expenses	(340,110)	(380,319)
	<hr/>	<hr/>
Net loss before tax	(10,971)	(170,447)
Income tax expense	-	-
	<hr/>	<hr/>
Net loss after tax	<u>(10,971)</u>	<u>(170,447)</u>

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

	<b>2023</b> <b>RM</b>	<b>2022</b> <b>RM</b>
Total segment assets	14,687,782	15,538,528
Due from Manager	-	1,700
Cash at bank	6,396	1,350
	<hr/>	<hr/>
Total assets of the Fund	<u>14,694,178</u>	<u>15,541,578</u>
Total segment liabilities	-	50,215
Other payables	24,501	25,166
Due to Manager	27,334	30,866
Due to Trustee	1,525	1,713
	<hr/>	<hr/>
Total liabilities of the Fund	<u>53,360</u>	<u>107,960</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 January 2023 by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

## 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
<b>2023</b>				
<b>Assets</b>				
Financial assets at FVTPL	12,624,241	-	-	12,624,241
Islamic deposits with financial institutions	-	2,040,166	-	2,040,166
Other receivables	-	23,375	-	23,375
Cash at bank	-	6,396	-	6,396
<b>Total financial assets</b>	<b>12,624,241</b>	<b>2,069,937</b>	<b>-</b>	<b>14,694,178</b>
<b>Liabilities</b>				
Other payables	-	-	24,501	24,501
Due to Manager	-	-	27,334	27,334
Due to Trustee	-	-	1,525	1,525
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>53,360</b>	<b>53,360</b>
<b>2022</b>				
<b>Assets</b>				
Financial assets at FVTPL	13,500,787	-	-	13,500,787
Islamic deposits with financial institutions	-	1,936,076	-	1,936,076
Other receivables	-	20,225	-	20,225
Amount due from brokers	-	83,140	-	83,140
Cash at bank	-	1,350	-	1,350
<b>Total financial assets</b>	<b>13,500,787</b>	<b>2,040,791</b>	<b>-</b>	<b>15,541,578</b>
<b>Liabilities</b>				
Other payables	-	-	25,166	25,166
Amount due to brokers	-	-	50,215	50,215
Due to Manager	-	-	30,866	30,866
Due to Trustee	-	-	1,713	1,713
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>107,960</b>	<b>107,960</b>



## 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).
- 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
<b>2023</b>				
Quoted Shariah-compliant securities	12,418,483	-	-	12,418,483
Quoted Shariah-compliant warrants	205,758	-	-	205,758
	<u>12,624,241</u>	<u>-</u>	<u>-</u>	<u>12,624,241</u>
<b>2022</b>				
Quoted Shariah-compliant securities	13,393,737	-	-	13,393,737
Quoted Shariah-compliant warrants	107,050	-	-	107,050
	<u>13,500,787</u>	<u>-</u>	<u>-</u>	<u>13,500,787</u>

#### Quoted Shariah-compliant securities and quoted Shariah-compliant warrants

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 Bloomberg.

## 16. FINANCIAL INSTRUMENTS (CONT'D.)

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

The carrying amounts of the other financial assets and financial liabilities approximate the fair value 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 managing 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 risk types and activities.

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

### (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 years, the Fund's policy is that no derivatives shall be undertaken for either investment risk management purposes or for trading.

### (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.

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

### (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 and warrants.

#### Equity price risk sensitivity

Management's best estimate of the effect on the profit for the financial year 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
<b>2023</b>		
Changes in equity price	+5	631,212
<b>2022</b>		
Changes in equity price	+5	675,039

The Management assumed that the movement of FVTPL investments as at 15 January 2023 moves in line with the movement of the Bursa Malaysia KLCI index.

## 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 (Cont'd.)

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.

	2023		2022	
	Fair value RM	As % of NAV	Fair value RM	As % of NAV
Malaysia	12,624,241	86.2	13,500,787	87.5

The details of Fund's concentration of equity price analysed by the Fund's equity instruments by sector is stated in Note 7.

### (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 net asset value per unit at the time of redemption calculated in accordance with the Fund's Trust Deed.

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 Islamic financial institutions and other Shariah-compliant instruments which are capable of being converted into cash within 7 days.

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

### (g) Liquidity risk (Cont'd.)

The following table summarises the maturity profile of the Fund's financial assets, financial liabilities and NAV attributable to unit holders in order to provide a complete view of the Fund's contractual commitments and liquidity.

	Less than 1 month RM	Total RM
<b>2023</b>		
Financial assets:		
Financial assets at FVTPL	12,624,241	12,624,241
Islamic deposits with financial institutions	2,040,166	2,040,166
Other assets	29,771	29,771
Total undiscounted financial assets	<u>14,694,178</u>	<u>14,694,178</u>
Financial liabilities:		
Other liabilities	53,360	53,360
Total undiscounted financial liabilities	<u>53,360</u>	<u>53,360</u>
NAV attributable to unit holders	<u>14,640,818</u>	<u>14,640,818</u>
Liquidity gap	<u>-</u>	<u>-</u>
<b>2022</b>		
Financial assets:		
Financial assets at FVTPL	13,500,787	13,500,787
Islamic deposits with financial institutions	1,936,076	1,936,076
Other assets	104,715	104,715
Total undiscounted financial assets	<u>15,541,578</u>	<u>15,541,578</u>
Financial liabilities:		
Other liabilities	107,960	107,960
Total undiscounted financial liabilities	<u>107,960</u>	<u>107,960</u>
NAV attributable to unit holders	<u>15,433,618</u>	<u>15,433,618</u>
Liquidity gap	<u>-</u>	<u>-</u>

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

### (g) Liquidity risk (Cont'd.)

#### (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.

#### (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”. 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.

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

### (h) Credit risk (Cont'd.)

#### 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.

### (i) Reclassification of Shariah status risk

There is a risk that the currently held Shariah-compliant securities and warrants 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 year 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 year.



## CORPORATE INFORMATION

<b>MANAGER</b>	MIDF Amanah Asset Management Berhad Registration No: 197201000162 (11804-D)
<b>REGISTERED OFFICE</b>	Level 21, Menara MIDF, 82, Jalan Raja Chulan, 50200 Kuala Lumpur Tel: 03 - 2173 8888
<b>BUSINESS OFFICE</b>	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
<b>TRUSTEE</b>	AmanahRaya Trustees Berhad (766894-T) Tingkat 14, Wisma AmanahRaya, No. 2, Jalan Ampang, 50508 Kuala Lumpur
<b>BOARD OF DIRECTORS</b>	Hasnah Omar – Chairman Datuk Joseph Dominic Silva Tai Keat Chai Hasman Yusri Yusoff Norziana Mohd Inon (appointed effective 27 May 2022) Shan Kamahl Mohammad (appointed effective 10 October 2022) Ahlan Nasri Mohd Nasir (resigned effective 2 March 2022) Dato' Charon Wardini Mokhzani (resigned effective 17 May 2022) Mohamed Sany Mohamed Zainudin (resigned effective 7 July 2022)
<b>OVERSIGHT COMMITTEE MEMBERS</b>	Hasman Yusri Yusoff – Chairman Tai Keat Chai Sheikh Shahrudin Sheikh Salim (appointed effective 1 March 2022)
<b>BOARD AUDIT AND RISK MANAGEMENT COMMITTEE MEMBERS</b>	Tai Keat Chai – Chairman Hasman Yusri Yusoff Norziana Mohd Inon (appointed effective 15 August 2022) Hasnah Omar (resigned effective 15 August 2022)
<b>COMPANY SECRETARIES</b>	Hadidah Amin (LS 05402) Lailatul Mardhiyah Said Abdullah [LS0010110] Nor Azita Sarip (MAICSA 7048861)

## CORPORATE INFORMATION (CONT'D.)

<b>AUDITOR</b>	Ernst & Young PLT Level 23A, Menara Milenium, Jalan Damanlela Pusat Bandar Damansara, 50490 Kuala Lumpur
<b>TAX ADVISER</b>	Ernst & Young Tax Consultants Sdn Bhd Level 23A, Menara Milenium, Jalan Damanlela Pusat Bandar Damansara, 50490 Kuala Lumpur
<b>SHARIAH ADVISER</b>	MIDF Amanah Investment Bank Berhad (23878-X) (Shariah Committee) Level 21, Menara MIDF, 82, Jalan Raja Chulan, 50200 Kuala Lumpur
<b>PRINCIPAL BANKERS</b>	Malayan Banking Berhad (3813-K) Menara Maybank, Jalan Tun Perak, 50050 Kuala Lumpur  OCBC Bank (Malaysia) Berhad (295400-W) 18th Floor, Menara OCBC, 18, Jalan Tun Perak, 50050 Kuala Lumpur

This page is intentionally left blank.

This page is intentionally left blank.

This page is intentionally left blank.



If undelivered, please return to:

**MIDF Amanah Asset Management Berhad**

Registration Number: 197201000162 (11804-D)

Level 3A, Menara MIDF

82, Jalan Raja Chulan, 50200 Kuala Lumpur

Tel: (603) 2173 8488 Fax: (603) 2173 8555

E-mail: [midfamanah@midf.com.my](mailto:midfamanah@midf.com.my)

Website: [www.midf.com.my/index.php/en/what-we-do-en/asset-management](http://www.midf.com.my/index.php/en/what-we-do-en/asset-management)