

MIDF-TM TR FINITE FUND - 1

**Quarterly Report (Unaudited)
As Of 30 April 2024**



MIDF Amanah Asset Management Berhad
Business Registration No.: 197201000162 (11804-D)
Level 20, Menara MBSB Bank, PJ Sentral
Lot 12, Persiaran Barat, Seksyen 52
46200 Petaling Jaya, Selangor
Tel: 03-2173 8888 Fax: 03-2173 8477

MIDF AMANAH ASSET MANAGEMENT BERHAD

Level 20, Menara MBSB Bank, PJ Sentral
Lot 12, Persiaran Barat, Seksyen 52
46200 Petaling Jaya, Selangor Darul Ehsan

30 April 2024

Dear Unit Holder:

FUND INFORMATION

Fund Name	MIDF-TM TR Finite Fund - 1
Fund Category	Shariah-Compliant Equity Wholesale Fund
Fund Type	Growth
Tenure and Maturity of the Fund	<p>The tenure of the Fund is three (3) years.</p> <p>The Fund will mature on the third (3rd) year anniversary from the Commencement Date or such earlier date as determined by the Manager in accordance with the provisions of the Deed. If that date is not a Business Day, the Maturity Date will be the first Business Day following the date that is the third (3rd) year anniversary from the Commencement Date.</p> <p>Within a period of three (3) months prior to the Maturity Date, the Manager may commence liquidation of the assets of the Fund and hold cash. The Manager, however, has the discretion to liquidate any remaining assets of the Fund within twelve (12) months after the Maturity Date if it is in the interest of the Unit Holders to do so without any additional management fee charged within the 12-month period after the Maturity Date.</p> <p>After all the assets of the Fund have been fully liquidated, the Unit Holders will be notified of the following:</p> <p>(a) the NAV per Unit at which the maturity proceeds will be calculated; and</p> <p>(b) the date on which the maturity proceeds will be paid to the Unit Holders, which will not exceed fourteen (14) days from the date of full liquidation of assets of the Fund.</p> <p>No exit fee will be imposed on Unit Holders on the Maturity Date.</p>
Investment Objective	The Fund aims to provide Unit Holders with absolute returns and capital appreciation during the tenure of the Fund.

FUND INFORMATION

Investment Strategy	<p>The Fund aims to achieve its objective by adopting a tactical asset allocation strategy where the Fund may invest up to 100% of its NAV in a range of global Shariah-compliant equities and Shariah-compliant equity related securities.</p> <p>As the Fund has an opportunistic objective, it will adopt an entirely flexible allocation strategy depending on market conditions, sentiment, valuations and news-flow with the intention of generating absolute returns.</p> <p>Equities are selected by analysing the fundamental valuations and the price technicals, both on the securities level as well as on a macro level. At the same time, understanding the market sentiment in relation to macro news-flow and economic data, coupled with the securities level risk assessment will ensure that downside risk is best mitigated. This overall screening process (top-down and bottom-up approach) to narrow down the target investments will enable the Manager to make better investment decisions after taking into account as many factors as possible that will/may affect future price performance of the investments.</p>
Performance Benchmark	Total return target of 50% before the end of the 3-year period from the Commencement Date.
Distribution Policy	The Fund does not intend to distribute income.

CURRENT PROFILE OF UNITHOLDINGS BY SIZE

Size of Holdings	No. Of Accounts	No. Of Units Held
5,000 and below	0	0
5,001 to 10,000	0	0
10,001 to 50,000	0	0
50,001 to 500,000	2	300,000
500,001 and above	1	2,000,000
TOTAL	3	2,300,000

PERFORMANCE OF THE FUND

MIDF-TM TR FINITE FUND – 1 (“MTTFF-1”)	As of 30 April 2024
NAV (RM)	2,287,333
NAV per Unit (RM)	0.9945
Units In Circulation	2,300,000
Unitholder’s Capital (RM)	2,300,000
Retained Earnings (Losses)	(12,667)

**Note: 31 July 2024 is the first financial year of the Fund after the Fund was launched on 21 November 2023.*

FUND PERFORMANCE REVIEW

For the Quarter ended 30 April 2024, the NAV per unit of MTTFF-1 was relatively flat, with marginal decline by 0.55%.

The key objective of the MTTFF-1 is to achieve absolute returns and capital appreciation during the tenure of the Fund.

The performance benchmark of the fund is a total return target of 50% before the end of the 3-year period from the Commencement Date.

Return	RM
Net Realised Income/(Loss)	(8,232)
Net Unrealised Income/(Loss)	(4,435)

PERFORMANCE DATA

		As of 30 April 2024
NAV	[RM]	2,287,333
Units in Circulation	[Units]	2,300,000
NAV per Unit	[RM]	0.9945
Highest NAV*	[RM]	0.9972
Lowest NAV*	[RM]	0.9945
Total return:		
- Capital Growth	[%]	(0.55)
- Income Distribution		NIL

QUARTERLY TOTAL RETURN OF THE FUND

As At 30 April 2024 (Quarter Ended From 01.02.2024 To 30.04.2024)	★The Fund (%)	# Target Return (%)
3 Months	(0.55)	Total return target of 50% before the end of the 3-year period from the Commencement Date.

★ Source: Internal Data

Source: Bloomberg

MARKET REVIEW

During the first quarter of 2024, global markets performed well in the US Dollar terms, led by the United States (+10.3%). The unexpected resilience of the US economy aided the strong market performance, largely driven by a handful big-cap technology stocks. There were concerns around persistent inflation and flare-up of geopolitical tensions in the Middle East, but that did not dampen positive investor sentiments.

The Japan market (+11.0%) was strong in the US Dollar terms despite substantial weakness of the currency. Bank of Japan raised its policy interest rate, albeit by a small magnitude, for the first time

since 2007. Market was driven by foreign institutional inflows as well as domestic flows through the revamped Nippon Individual Savings Account (NISA) scheme. Exporters also performed well in anticipation of higher foreign currency incomes.

Within Asia, Taiwan (+12.4%) was the best performer, driven by the upstream semiconductor sector. Whereas Hong Kong (-11.7%) and Thailand (-8.2%) were weak. In China, continued real estate slowdown and a deflationary trend brought down growth expectations.

A higher for longer US Fed interest rate regime prompted weakness of major currencies against the US Dollar, with Japanese Yen (-7.3%), Thai Baht (-6.6%) and South Korean Won (-4.6%) being notable underperformers.

INVESTMENT OUTLOOK AND STRATEGY

We remain constructive on our overall view of the global markets with a preference towards Asian markets. Normalization of the US monetary policy and a soft-landing scenario is positive for the risk assets. GDP growth outlook for Asean countries remain strong for 2024, compared to the global growth, and with inflation well under control central banks are well poised to cut rates.

In the US there is a sense of economic slowdown from decline of excess saving and weaker employment market. Our exposure to the market is concentrated in Information Technology and Healthcare sectors which are quite immune from the domestic weakness. In Japan we expect additional rate hikes and that will lend support to the currency. Exporters and foreign currency earners remain a preferred play in that market.

Within Southeast Asia, Malaysia is resilient with recovery in the investment cycle and Foreign Direct Investment inflow. Resolution of the ongoing political turmoil is a catalyst for Thailand and investors' interest should come back. Growth in Indonesia is attractive, and the newly elected political administration has promised to maintain fiscal discipline. Valuations are cheap in China and Hong Kong market. Although we don't expect a strong recovery, our exposures in the market are expected to deliver good earnings growth along with positive earnings revisions.

At an aggregate level, our biggest exposures are to Information Technology, Consumer Discretionary and Health Care sectors, in line with our optimistic view of the sectors. The strategy focus remains on bottom-up stock selection. But we remain flexible in our approach towards tactical asset allocation to manage portfolio risks and navigate macroeconomic changes.

KEY MARKET RISKS

- Heightened geopolitical risks from the long-drawn Ukraine-Russia and Gaza's conflict may derail global recovery and negatively affect investors' sentiment.
- Deteriorating relationship between the US and China over Taiwan and Tech War.
- Later than expected interest rate cut in developed markets, especially in the US and Europe.
- Prolonged weakness of Asian currencies (JPY, THB, IDR and CNY).
- Uncertainty around the US presidential election outcome.

CHANGES IN INVESTMENT TEAM

There is no change in the Investment team for the period under review.

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

To the unit holders of MIDF-TM TR FINITE FUND – 1 ("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.

For **MBSB BANK BERHAD**



MOHD BAHRODDIN BADRI
Chairman, Shariah Committee
MBSB Bank Berhad

Date: 22 July 2024

MIDF-TM TR FINITE FUND - 1

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 20 MARCH 2024 (COMMENCEMENT DATE) TO 30 APRIL
2024**

**20 Mar 2024
to
30 Apr 2024
RM**

INVESTMENT INCOME

Profit income from Islamic deposits with financial institutions	3,490
Net loss from financial assets at fair value through profit or loss ("FVTPL")	(2,290)
Net loss on foreign currency exchange	(3,926)
	<u>(2,726)</u>

EXPENSES

Manager's fee	(4,732)
Trustee's fee	(158)
Auditors' remuneration	(2,194)
Brokerage fees	(537)
Tax agent's fee	(928)
Administrative expenses	(1,392)
	<u>(9,941)</u>

Net loss before tax	(12,667)
Income tax expense	-
Net loss after tax representing total comprehensive loss for the financial period	<u>(12,667)</u>

Net loss after tax is made up of the following:

Net realised loss	(8,232)
Net unrealised loss	(4,435)
	<u>(12,667)</u>

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

MIDF-TM TR FINITE FUND - 1

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2024**

	Note	30 Apr 2024 RM
ASSETS		
Financial assets at FVTPL		565,298
Islamic deposits with financial institutions		760,465
Other receivables		122
Cash at bank		968,558
TOTAL ASSETS		<u>2,294,443</u>
LIABILITIES		
Due to Manager		3,376
Due to Trustee		113
Other payable		3,621
TOTAL LIABILITIES		<u>7,110</u>
EQUITY		
Unit holders' capital	1 (a)	2,300,000
Accumulated losses	1 (b) & (c)	<u>(12,667)</u>
TOTAL EQUITY, REPRESENTING NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS		<u>2,287,333</u>
TOTAL EQUITY AND LIABILITIES		<u>2,294,443</u>
UNITS IN CIRCULATION	1 (a)	<u>2,300,000</u>
NAV PER UNIT (RM)		<u>0.9945</u>

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

MIDF-TM TR FINITE FUND - 1

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 20 MARCH 2024 (COMMENCEMENT DATE) TO 30 APRIL
2024**

	Unit holders' capital Note 1 (a) RM	Accumulated losses Note 1 (b) & (c) RM	Total equity RM
As at 20 March 2024 (commencement date)	-	-	-
Creation of units	2,300,000	-	2,300,000
Total comprehensive loss for the financial period	-	(12,667)	(12,667)
As at 30 April 2024	<u>2,300,000</u>	<u>(12,667)</u>	<u>2,287,333</u>

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

MIDF-TM TR FINITE FUND - 1

**UNAUDITED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD FROM 20 MARCH 2024 (COMMENCEMENT DATE) TO 30 APRIL
2024**

**20 Mar 2024
to
30 Apr 2024
RM**

**CASH FLOWS FROM OPERATING AND
INVESTING ACTIVITIES**

Purchase of investments	(573,784)
Income from Islamic deposits received	3,368
Realised foreign exchange differences arising from operating activities	1,541
Manager's fee paid	(1,356)
Trustee's fee paid	(45)
Payment for other fees and expenses	(701)
Net cash used in operating and investing activities	<u>(570,977)</u>

**CASH FLOWS FROM FINANCING
ACTIVITIES**

Cash proceeds from unit created, representing net cash generated from financing activity	<u>2,300,000</u>
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**NET INCREASE IN CASH
AND CASH EQUIVALENTS**

1,729,023

**CASH AND CASH EQUIVALENTS AT
BEGINNING OF THE PERIOD**

-

**CASH AND CASH EQUIVALENTS AT
END OF THE PERIOD**

1,729,023

Cash and cash equivalents comprise:

Cash at bank	968,558
Islamic deposits with financial institutions	<u>760,465</u>
	<u>1,729,023</u>

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

MIDF-TM TR FINITE FUND - 1

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 20 MARCH 2024 (COMMENCEMENT DATE) TO 30 APRIL
2024**

1. TOTAL EQUITY

	Note	30 Apr 2024 RM
Unit holders' capital	(a)	2,300,000
Accumulated losses		
- Realised and distributable	(b)	(8,232)
- Unrealised reserve and non-distributable	(c)	(4,435)
Total equity		<u>2,287,333</u>

(a) Unit holder's capital

	30 Apr 2024	
	No of units	Amount RM
As at the beginning of the financial period	-	-
Creation of units	<u>2,300,000</u>	<u>2,300,000</u>
As at the end of the financial period	<u>2,300,000</u>	<u>2,300,000</u>

(b) Realised and distributable

	30 Apr 2024 RM
As at beginning of the financial period	-
Net realised loss	<u>(8,232)</u>
As at the end of the financial period	<u>(8,232)</u>

(c) Unrealised reserve and non-distributable

	30 Apr 2024 RM
As at beginning of the financial period	-
Net unrealised loss attributable to investments	<u>(4,435)</u>
As at the end of the financial period	<u>(4,435)</u>

CORPORATE INFORMATION

MANAGER	MIDF Amanah Asset Management Berhad Registration No: 197201000162 (11804-D)
REGISTERED OFFICE	Level 25, Menara MBSB Bank, PJ Sentral Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya, Selangor Tel: 03 – 2173 8888
BUSINESS OFFICE	Level 20, Menara MBSB Bank, PJ Sentral Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya, Selangor 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 Tai Keat Chai Hasman Yusri Yusoff Shan Kamahl Mohammad Dato' Azlan Shahrin (appointed effective 15 November 2023 and resigned w.e.f 15 July 2024) Dato' Seri Diraja Nur Julie Gwee Ariff (appointed effective 15 November 2023) Datuk (Dr.) Joseph Dominic Silva (resigned effective 15 November 2023) Norziana Mohd Inon (resigned effective 5 July 2023)
OVERSIGHT COMMITTEE MEMBERS	Hasman Yusri Yusoff - Chairman Tai Keat Chai Sheikh Shahrudin Sheikh Salim
BOARD AUDIT AND RISK MANAGEMENT COMMITTEE MEMBERS	Tai Keat Chai – Chairman Hasman Yusri Yusoff Norziana Mohd Inon (resigned effective 5 July 2023)
COMPANY SECRETARY	Nor Azita Sarip (MAICSA 7048861) Nor'adilah Mohd Arshad (LS 10098) (appointed effective 1 January 2024) Hadidah Amin (LS 10683) (resigned effective 1 January 2024) Lailatul Mardhiyah Said Abdullah (LS 10110) (resigned effective 28 April 2023)
AUDITOR	Ernst & Young PLT 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
SHARIAH ADVISER	MBSB Bank Berhad (Registration No.: 200501033981 (716122-P)) Level 25, Menara MBSB Bank, PJ Sentral Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya, Selangor
PRINCIPAL BANKERS	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