

MIDF DIVIDEND FUND

(formerly known as MIDF Amanah Islamic Fund)



midf 
AMANAH

ANNUAL REPORT

For The Year Ended
15th June 2025

MIDF Amanah Asset Management Berhad

MIDF AMANAH ASSET MANAGEMENT BERHAD

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

15th June 2025

Dear Unit Holders:

FUND CATEGORY AND TYPE

Fund Category	Shariah-compliant Equity
Fund Type	Smallcap

ASSET ALLOCATION AS AT 15 JUNE 2025

Shariah-compliant Equities	93.3%
Islamic Money Market Instruments and Others	6.70%

PERFORMANCE OF THE FUND

MIDF Dividend Fund ("MDF")	15/06/2025	15/06/2024	%
Net Asset Value ("NAV") (RM)	4,139,762	5,192,813	-20.28
NAV per Unit (RM)	0.3326	0.3875	-14.17
Absolute Targeted Return (5%)	5%	-	n.a

For the Financial Year ended 15 June 2025, the NAV per unit of MDF decreased by 14.17%.

The key objective of MDF is to achieve long-term capital growth through investments which conform to the principles of Shariah. During the period under review, the Fund did not achieve its objective in terms of capital growth due to the challenging market environment.

EQUITY MARKET REVIEW

In the early months of the review period, equity markets showed resilience, ultimately achieving healthy returns despite intermittent market volatility. However, the unwinding of the yen carry trade, and rising concerns about the US economy led to a sharp decline in the KLCI, which fell by 4.6% to 1,536 points on August 5, 2024. While the index recovered by the end of the month, this recovery was short-lived, as ongoing profit-taking activities negatively impacted the broader market.

Since then, markets have remained largely directionless with a slight bearish tilt, driven by profit-taking from foreign investors amid concerns over Middle East tensions, persistent inflation, and a weak third-quarter earnings season. Despite this, local institutional and retail investors helped cushion the outflows, offering some support. The FBM KLCI fell 2.9% in October and 0.5% in November, before rebounding 3% in December 2024, ending the year at 1,642 points, buoyed by window-dressing activities in the final trading days.

The Malaysian equity market faced a challenging start to 2025, with the FBM KLCI falling 5.2% in January. This marked its worst start to the year since 1995. The decline was driven by heightened risk-off sentiment and concerns over US export controls on advanced chips, triggering a sell-off in technology and AI-related stocks. While the KLCI showed some signs of recovery in February, negative sentiment deepened further in April, following “Liberation Day” on April 2, 2025, when President Trump announced sweeping tariffs on imported goods. This announcement led to a sharp sell-off, with the FBM KLCI plunging nearly 10% to a low of 1,386.63, before recovered toward the end of the Fund’s financial year.

KEY MARKET RISKS

- Heightened geopolitical risks such as the long-drawn Ukraine-Russia and Middle East’s conflict, may derail global recovery and negatively affect investors’ sentiment.
- Escalating U.S.- China tensions, particularly over Taiwan and the ongoing technology war, may heighten geopolitical risk and market volatility.
- Policy uncertainty in the United States, along with potential retaliatory measures from other major economies, could disrupt global trade and investment flows.
- The risk of stagflation, a combination of persistent inflation and sluggish economic growth remains a concern, especially in developed markets such as the U.S. and Europe.
- Weaker-than-expected economic performance in China may dampen the global recovery and reduce investor appetite for risk assets, particularly in emerging markets.

INVESTMENT OUTLOOK AND STRATEGY

Market sentiment in general remains subdued and cautious, and we expect this challenging environment to persist over the coming months. Despite the forward valuations of the FBM KLCI and FBM100 having fallen to nearly two standard deviations below their post-Global Financial Crisis (GFC) averages, investor confidence has yet to fully recover. However, as we approach the fourth quarter of 2025, we foresee two significant rerating catalysts poised to reshape liquidity flows and domestic market sentiment, potentially marking the beginning of a more sustained market recovery. The two key catalysts we anticipate are as follows:-

- A convincing breakdown of the U.S. Dollar Index (DXY) below the critical psychological level of 100, which would signal a reversal in the USD's multi-year strength and likely improve conditions for emerging market currencies, including the Malaysian Ringgit.
- Further easing of political uncertainties in Malaysia, following the six state elections expected to conclude by the end of August 2025. A stable political landscape would enable Prime Minister Anwar Ibrahim's administration to advance medium-term economic plans and policy reforms, fostering greater confidence among domestic and foreign investors alike.

The potential upside for Malaysian equities could be substantial, supported by several reinforcing factors:

- **Undemanding Valuations** - the FBM KLCI currently trades at a forward PER of approximately 14x, while the broader FBM100 is even cheaper at around 13x. Both are well below their historical means of 17x and 18x respectively, suggesting attractive entry points for investors seeking value.
- **Improved Domestic Growth** - Malaysia's economy is benefiting from the confluence of several tailwinds, including the tail-end effects of post-COVID-19 reopening, ongoing government subsidies, an increased minimum wage, and a recovering labor market. These factors combine to support sustained consumer demand and corporate earnings growth.
- **An Undervalued Currency** - the Ringgit remains undervalued relative to its fundamentals, supported by a healthy current account surplus and potentially favorable interest rate differentials. A weaker USD environment should bolster MYR strength, which historically correlates positively with KLCI performance.

The earnings gap analysis suggests the KLCI could reach 1,610 points by the end of 2025 and potentially climb to 1,800 points by the close of 2026. This stands in stark contrast to the U.S. S&P 500 index, which has more than tripled since 2010, boosted by massive quantitative easing and near-zero interest rates over the past decade-plus. The U.S. market's forward P/E multiple has expanded from roughly 13-14x post-GFC to 18-20x currently, while the FBM100 trades significantly below its historical average.

We expect the USD rally to begin fading in the coming months, with the DXY likely breaking below 100 by 4Q25 and gradually declining to the 90-95 range through 2026. This forecast is underpinned by muted U.S. economic growth, a modestly dovish Federal Reserve stance, and the absence of extraordinary monetary stimulus.

INVESTMENT OUTLOOK AND STRATEGY (CONT'D.)

Our sector strategy is anchored in Malaysia's resilient domestic economy. We favour Construction & Materials sectors, which stand to benefit from ongoing economic expansion and infrastructure development. Real Estate and REITs also remain attractive as key domestic plays and beneficiaries of a potential reflationary cycle amid a weakening USD environment. We maintain a positive view on Oil Services and Conglomerates, which provide good growth prospects at reasonable valuations.

Our investment approach remains disciplined and bottom-up, focusing on companies with solid fundamentals, resilient earnings, and credible long-term growth prospects. We continue to emphasize a tactical asset allocation with 80% to 85% invested in equities, prioritizing defensive sectors and high-quality growth names. The remaining allocation is held in cash to maintain flexibility for opportunistic buying amid potential market dislocations.

Despite the challenging global macro environment, we believe that the combination of easing political risk, expected USD weakness, a recovering Ringgit, and Malaysia's robust domestic fundamentals provides a compelling case for a more optimistic outlook toward Malaysian equities in late 2025 and into 2026.

Malaysia's national unity coalition is expected to perform reasonably well in the six state elections scheduled to conclude by the end of August 2025. Supported by a resilient domestic economy, this political stability would empower Prime Minister Anwar Ibrahim's administration to advance medium-term economic reforms and policy initiatives, bolstering investor confidence.

Combined, a weakening USD and enhanced political clarity are likely to attract stronger liquidity inflows into Malaysia, a surplus economy with an undervalued currency and robust growth fundamentals. We maintain a constructive stance on sectors driven by stable domestic demand, including Construction, Property, and REITs, supported by Malaysia's solid economic growth trajectory and improving political landscape. The anticipated USD depreciation and strengthening Ringgit should provide additional tailwinds for these sectors and the broader domestic equity market.

Our investment approach continues to emphasize bottom-up stock selection, focusing on companies with resilient earnings, strong balance sheets, and credible long-term growth prospects. We also selectively pursue thematic growth opportunities, balancing risk and valuation. Tactically, we maintain an equity allocation of approximately 80% to 85%, with a balanced emphasis on defensive sectors and high-quality growth names. The remaining portfolio is held in cash or equivalents to preserve flexibility and readiness for potential market corrections or opportunistic buying.

CURRENT PROFILE OF UNITHOLDINGS BY SIZE

Size of Unitholdings	No. of Unit Holders	No. of Units Held	% of Unit Holders
5,000 and below	1,080	1,271,925	75.5
5,001 to 10,000	93	648,738	6.5
10,001 to 50,000	196	4,417,860	13.7
50,001 to 500,000	62	6,107,910	4.3
500,001 and above	-	-	-
	1,431	12,446,433	100.00

PORTFOLIO COMPOSITION

	As at 15.06.2025 %	As at 15.06.2024 %	As at 15.06.2023 %
Consumer Products & Services	15.1	11.3	11.0
Construction	14.4	8.5	-
Energy	-	1.9	8.2
Finance	-	0.6	-
Healthcare	2.8	1.2	7.9
Industrial Products & Services	16.4	17.1	10.3
Property	-	0.9	-
Plantation	2.2	1.7	-
Technology	10.9	16.9	9.2
Telecommunication & Media	14.8	20.0	17.6
Trading/Services	7.1	-	-
Utilities	7.3	7.6	10.5
Real Estate Investment Trusts	2.3	-	-
Cash and other Net Assets	6.7	12.3	25.3
	100.00	100.00	100.00

PERFORMANCE DATA

		As at 15.06.2025	As at 15.06.2024	As at 15.06.2023
Net Asset Value	[RM]	4,139,762	5,192,813	4,667,842
Units in Circulation	[Units]	12,446,433	13,402,405	14,675,568
Net Asset Value per Unit	[RM]	0.3326	0.3875	0.3181
Highest NAV	[RM]	0.9430	0.3900	0.3389
Lowest NAV	[RM]	0.2982	0.3133	0.2815
Total Return: - Capital Growth - Income Distribution	[%]	-14.17 Nil	21.82 Nil	8.27 Nil
Total Expense Ratio (TER) ¹	[%]	2.09	2.06	2.08
Portfolio Turnover Ratio (PTR) ²	[x]	0.65	0.66	1.45

a) *The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as “securities financing transactions”).*

b) *No cross-trade transactions have been carried out during the reported period.*

Notes:

¹ *The TER for 2025 increased marginally to 2.09% from 2.06% in 2024.*

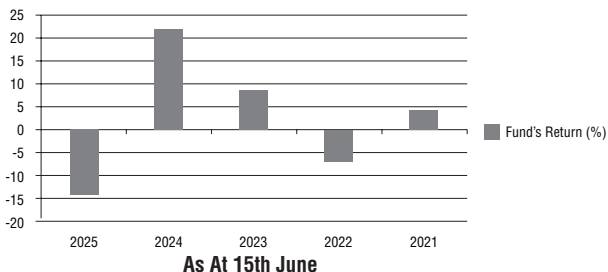
² *The PTR for 2025 was relatively flat at 0.65 times as compared to 0.66 times in 2024.*

ANNUAL TOTAL RETURN

MIDF Dividend Fund					
As at 15th June	2025	2024	2023	2022	2021
Fund's Return (%)	-14.17	21.82	8.27	-6.79	3.89
Absolute Targeted Return (%)	5.0	-	-	-	-

* *Source: Bloomberg*

MIDF DIVIDEND FUND



AVERAGE TOTAL RETURN

As at 15th June	The Fund (%)	Absolute Targeted Return (%)
One Year	-14.17	5.0
Three Years	4.40	5.0
Five Years	5.54	5.0

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: 14 August 2025

MANAGER'S REPORT

The Manager has pleasure in submitting its report and the audited financial statements of the MIDF Dividend Fund (formerly known as MIDF Amanah Islamic Fund) ("the Fund") for the financial year ended 15 June 2025.

PRINCIPAL ACTIVITIES OF THE MANAGER

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

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:

Sector	Aggregate cost as at 16.06.2024 RM	Acquisitions RM	Disposals RM	Aggregate cost as at 15.06.2025 RM
Construction	312,693	78,666	-	391,359
Consumer Products & Services	496,544	753,965	(643,286)	607,223
Energy	65,904	-	(65,904)	-
Financial Services	30,998	-	(30,998)	-
Health Care	59,716	49,093	-	108,809
Industrial Products & Services	666,028	1,159,899	(1,202,252)	623,675
Plantation	83,091	72,270	(83,091)	72,270
Property	40,140	-	(40,140)	-
Real Estate Investment Trusts	-	87,550	-	87,550
Technology	681,696	392,063	(644,901)	428,858
Telecom- munications & Media	898,547	-	(338,297)	560,250
Trading/Services	-	298,466	-	298,466
Utilities	310,976	76,540	(99,705)	287,811
	<u>3,646,333</u>	<u>2,968,512</u>	<u>(3,148,574)</u>	<u>3,466,271</u>

Results

Net loss after tax	<u>RM 710,385</u>
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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 which conform with the principles of the Shariah.

MANAGEMENT FEES

During the financial year, the Manager is entitled to a management fee of RM65,859 (2024: RM72,023). The Manager's fee is computed on a daily basis at 1.50% (2024: 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 June 2025 (2024: Nil).

UNIT SPLIT

No unit split was made during the financial year ended 15 June 2025 (2024: Nil).

CHANGES IN VALUE OF FUND

The changes in value of the 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 beginning of the current financial year to the date of this report are:

Tai Keat Chai (Appointed as Chairman w.e.f 27 June 2025)

Hasman Yusri Yusoff

Shan Kamahl Mohammad

Dato' Seri Diraja Nur Julie Gwee Ariff (Resigned w.e.f 21 January 2025)

Hasnah Omar (Retired w.e.f 26 June 2025)

For and on behalf of the Manager

MIDF Amanah Asset Management Berhad

TAI KEAT CHAI

Director

SHAN KAMAHL MOHAMMAD

Director

Petaling Jaya, Malaysia

Date: 14 August 2025

**TRUSTEE'S REPORT
FOR THE FINANCIAL YEAR ENDED 15 JUNE 2025**

**To the unit holders of
MIDF DIVIDEND FUND (FORMERLY KNOWN AS MIDF AMANAH
ISLAMIC FUND) ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 15 June 2025 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: 22 July 2025

**SHARIAH ADVISER'S REPORT
FOR THE FINANCIAL YEAR ENDED 15 JUNE 2025**

**To the unit holders of
MIDF DIVIDEND FUND (FORMERLY KNOWN AS MIDF AMANAH
ISLAMIC FUND) ("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: 14 August 2025

STATEMENT BY MANAGER

We, Tai Keat Chai and Shan Kamahl 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 17 to 46 are drawn up in accordance with MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of MIDF Dividend Fund as at 15 June 2025 and of its financial performance, changes in equity and cash flows for the financial year then ended.

On behalf of the Manage
MIDF Amanah Asset Management Berhad

TAI KEAT CHAI
Director

SHAN KAMAHL MOHAMMAD
Director

Petaling Jaya, Malaysia
Date: 14 August 2025

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
MIDF DIVIDEND FUND
(FORMERLY KNOWN AS MIDF AMANAH ISLAMIC FUND)**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of MIDF Dividend Fund (formerly known as MIDF Amanah Islamic Fund) (the “Fund”), which comprise the statement of financial position as at 15 June 2025, 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 material accounting policy information, as set out on pages 17 to 46.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 15 June 2025, and of its financial performance and cash flows for the financial year then ended in accordance with MFRS Accounting Standards and IFRS Accounting 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.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
MIDF DIVIDEND FUND
(FORMERLY KNOWN AS MIDF AMANAH ISLAMIC FUND) (CONT'D.)**

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 DIVIDEND FUND
(FORMERLY KNOWN AS MIDF AMANAH ISLAMIC 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. 03574/05/2027 J
Chartered Accountant

Kuala Lumpur, Malaysia
Date: 14 August 2025

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 15 JUNE 2025**

	Note	2025 RM	2024 RM
INVESTMENT INCOME			
Dividend income		122,938	108,817
Profit income from Islamic deposits with financial institutions		22,617	26,769
Net (loss)/gain from financial assets at fair value through profit or loss ("FVTPL")	7	(744,105)	978,676
		<u>(598,550)</u>	<u>1,114,262</u>
EXPENSES			
Manager's fee	3	(65,859)	(72,023)
Trustee's fee	4	(3,513)	(3,841)
Auditors' remuneration		(7,000)	(7,000)
Brokerage fee		(12,491)	(14,756)
Tax agent's fee		(2,960)	(3,120)
Administrative expenses		(20,012)	(21,168)
		<u>(111,835)</u>	<u>(121,908)</u>
Net (loss)/income before tax		(710,385)	992,354
Income tax expense	5	-	-
		<u>-</u>	<u>-</u>
Net (loss)/income after tax representing total comprehensive income for the financial year		<u>(710,385)</u>	<u>992,354</u>
Net (loss)/income after tax is made up of the following:			
Net realised loss		(182,801)	(40,086)
Net unrealised (loss)/gain		(527,584)	1,032,440
		<u>(710,385)</u>	<u>992,354</u>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 15 JUNE 2025**

	Note	2025 RM	2024 RM
ASSETS			
Financial assets at FVTPL	7	3,847,637	4,555,283
Islamic deposits with financial institutions	8	297,194	911,494
Other receivables		21,096	14,552
Cash at bank		15,076	8,121
TOTAL ASSETS		<u>4,181,003</u>	<u>5,489,450</u>
LIABILITIES			
Other payables		32,945	27,855
Due to Manager		7,852	268,257
Due to Trustee		444	525
TOTAL LIABILITIES		<u>41,241</u>	<u>296,637</u>
EQUITY			
Unit holders' capital	10(a)	151,091	493,757
Retained earnings	10(b), 10(c)	3,988,671	4,699,056
TOTAL EQUITY, REPRESENTING NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS	10	<u>4,139,762</u>	<u>5,192,813</u>
TOTAL EQUITY AND LIABILITIES		<u>4,181,003</u>	<u>5,489,450</u>
UNITS IN CIRCULATION	10(a)	<u>12,446,433</u>	<u>13,402,405</u>
NAV PER UNIT (RM)		<u>0.3326</u>	<u>0.3875</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 JUNE 2025**

	Unit holders' capital Note 10(a) RM	Retained earnings Note 10(b) and (c) RM	Total equity RM
As at 16 June 2023	961,140	3,706,702	4,667,842
Total comprehensive income for the financial year	-	992,354	992,354
Creation of units	5,957	-	5,957
Cancellation of units	(473,340)	-	(473,340)
As at 15 June 2024	<u>493,757</u>	<u>4,699,056</u>	<u>5,192,813</u>
As at 16 June 2024	493,757	4,699,056	5,192,813
Total comprehensive income for the financial year	-	(710,385)	(710,385)
Creation of units	1,377	-	1,377
Cancellation of units	(344,043)	-	(344,043)
As at 15 June 2025	<u>151,091</u>	<u>3,988,671</u>	<u>4,139,762</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 JUNE 2025**

	Note	2025 RM	2024 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES			
Proceeds from sale of investments		2,922,113	3,340,239
Purchase of investments		(2,978,525)	(3,335,058)
Dividends received		116,281	108,220
Profit income received		22,728	26,695
Manager's fee paid		(67,854)	(71,046)
Trustee's fee paid		(3,594)	(3,814)
Audit fee paid		-	(7,000)
Tax agent's fee paid		(2,957)	-
Payment for other fees and expenses		<u>(14,461)</u>	<u>(21,281)</u>
Net cash (used in)/generated from operating and investing activities		<u>(6,269)</u>	<u>36,955</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		1,377	5,957
Cash payment for units cancelled		<u>(602,453)</u>	<u>(214,930)</u>
Net cash used in financing activities		<u>(601,076)</u>	<u>(208,973)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(607,345)	(172,018)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		<u>919,615</u>	<u>1,091,633</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		<u>312,270</u>	<u>919,615</u>
Cash and cash equivalents comprise:			
Cash at bank		15,076	8,121
Islamic deposits with financial institutions	8	<u>297,194</u>	<u>911,494</u>
		<u>312,270</u>	<u>919,615</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 Dividend Fund (formerly known as MIDF Amanah Islamic Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 14 May 1971 and the various Supplemental Deeds between Asia Unit Trusts Berhad (“AUTB”), the Trustee - Amanah Raya Berhad and the Registered Holders of the Fund. The Deed and its respective Supplemental Deeds were consolidated on 18 December 1998. The various Master Supplemental Deeds were executed on 1 November 2001 and 31 October 2002. The Fund will continue its operations until terminated by the Trustee as provided under Part 13.2 of the Master Supplemental Deed dated 1 November 2001. On 6 November 2008, the Fourth Master Supplemental Deed was executed between the AUTB, Amanah Raya Berhad and AmanahRaya Trustees Berhad, whereby Amanah Raya Berhad will transfer and assign its rights, duties and obligations under the Master Deed with respect to the Fund and its assets to AmanahRaya Trustees Berhad. The effective date of the transfer was 28 November 2008. The various Master Supplemental Deeds were executed between 6 November 2008 and 20 March 2015. The Eighth Master Supplemental Deed with respect to the Shariah matters was executed on 17 December 2013. Thirteenth Master Supplemental Deed on 26 June 2024. The Fund changed its name to MIDF Dividend Fund as reflected in the Supplementary Master Prospectus dated 4 October 2024, continuing its operations under the updated name.

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 the Master Supplemental Deed of the Fund has been registered with the 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 Islamic 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 25, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor.

The Manager, MIDF Amanah Asset Management Berhad, a company incorporated in Malaysia, is a wholly-owned subsidiary of Malaysian Industrial Development Finance Berhad (“MIDF”). The penultimate holding company of the Manager is Malaysia Building Society Berhad (“MBSB”), a public limited liability company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. Employees Provident Fund (“EPF”), a statutory body established under the Employees Provident Fund Act, 1991 (Act 452) is the ultimate holding company.

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES (CONT'D.)

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

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 14 August 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation

The financial statements of the Fund have been prepared in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

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) Changes in accounting policies

The Fund has adopted the following Standards, Amendments to Standards and Interpretations issued by the Malaysian Accounting Standards Board (“MASB”) which have become effective during the financial year.

Amendments to MFRS 107 and MFRS 7:

Supplier Finance Arrangements

Amendments to MFRS 16:

Lease Liability in a Sale and Leaseback

Amendments to MFRS 101:

Non-current Liabilities with Covenants

The adoption of the new pronouncements did not result in any material impact to the financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(c) MFRSs and Amendments to MFRSs issued but not yet effective

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 121: <i>Lack of Exchangeability</i>	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19: <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
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 period. These pronouncements are expected to have no significant impact to the financial statements of the Fund upon their initial application.

The Fund is still assessing the impact to the financial statements, if any, upon the initial adoption of MFRS 18.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(d) 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 fair value through profit or loss if:

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

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Changes in the fair value of those financial instruments are recorded in 'Net gain or loss on financial assets at fair value through profit or loss. 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(d) Financial assets (Cont'd.)

(ii) Financial assets at amortised cost

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

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

(e) 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.

(f) 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(g) 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 and sundry creditors 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.

(h) 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*.

(i) 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.

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.

(j) 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 original maturity of three months or less, subject to insignificant risk of changes in value.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(k) 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.

(l) 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.

(m) Segment reporting

For management purposes, the Fund is managed by two main portfolios, namely (1) Quoted Shariah-compliant securities and (2) Islamic deposits with financial institutions. Each segment engages in separate business activities and the operating results are regularly reviewed by the Investment Manager and the Oversight 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.

(n) 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% (2024: 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% (2024: 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

	2025 RM	2024 RM
Charge for the financial year	<u>-</u>	<u>-</u>

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)/income before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	2025 RM	2024 RM
Net (loss)/income before tax	<u>(710,385)</u>	<u>992,354</u>
Tax at Malaysian statutory rate of 24%	(170,492)	238,165
Effect of income not subject to tax	143,652	(267,423)
Expense not deductible for tax purposes	<u>26,840</u>	<u>29,258</u>
Tax expense for the financial year	<u>-</u>	<u>-</u>

6. ZAKAT FOR THE FUND

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

7. FINANCIAL ASSETS AT FVTPL

	2025 RM	2024 RM
Financial assets at FVTPL:		
Quoted Shariah-compliant securities	<u>3,847,637</u>	<u>4,555,283</u>
Net (loss)/gain on financial assets at FVTPL comprised:		
Realised loss on disposals	(216,521)	(53,764)
Unrealised (loss)/gain in fair values	<u>(527,584)</u>	<u>1,032,440</u>
	<u>(744,105)</u>	<u>978,676</u>

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

Financial assets at FVTPL as at 15 June 2025 are as detailed below:

Name of Counter	Quantity/ nominal amount Units	Cost RM	Fair value RM	% of NAV %
QUOTED SHARIAH-COMPLIANT SECURITIES				
Construction				
Gamuda Berhad	70,000	155,609	333,900	8.1
IJM Corporation Berhad	72,000	157,084	185,760	4.5
MN Holdings Berhad	60,000	78,666	75,600	1.8
	<u>202,000</u>	<u>391,359</u>	<u>595,260</u>	<u>14.4</u>
Consumer Products & Services				
CCK Consolidated Holdings Berhad	45,000	59,032	58,500	1.4
Fraser & Neave Holdings Berhad	4,500	116,469	127,440	3.1
Mr D.I.Y. Group (M) Berhad	70,000	102,329	114,800	2.8
Nestle (Malaysia) Berhad	1,000	80,538	73,820	1.8
PPB Group Berhad	10,000	107,867	106,400	2.6
Perak Transit Berhad	200,000	140,987	140,000	3.4
	<u>330,500</u>	<u>607,222</u>	<u>620,960</u>	<u>15.1</u>
Health Care				
IHH Health Care Berhad	17,000	108,810	117,300	2.8

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

Financial assets at FVTPL as at 15 June 2025 are as detailed below (cont'd.):

Name of Counter	Quantity/ nominal amount Units	Cost RM	Fair value RM	% of NAV %
QUOTED SHARIAH-COMPLIANT SECURITIES (CONT'D.)				
Industrial Products & Services				
Cahaya Mata Sarawak Berhad	262,000	277,674	311,780	7.5
Nationgate Holdings Berhad	100,000	152,274	147,000	3.6
PGF Capital Berhad	50,000	108,463	91,000	2.2
P.I.E. Industrial Berhad	10,000	31,390	42,000	1.0
Solarvest Holdings Berhad	20,000	26,468	35,200	0.9
Sunway Berhad	10,000	27,406	48,400	1.2
	<u>452,000</u>	<u>623,675</u>	<u>675,380</u>	<u>16.4</u>
Plantation				
Sarawak Oil Palms Berhad	7,000	21,870	21,490	0.5
Johor Plantations Group Bhd	60,000	50,400	72,000	1.7
	<u>67,000</u>	<u>72,270</u>	<u>93,490</u>	<u>2.2</u>
Real Estate Investment Trusts				
Axis Real Estate Investment Trust	50,000	87,550	96,500	2.3

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

Financial assets at FVTPL as at 15 June 2025 are as detailed below (cont'd.):

Name of Counter	Quantity/ nominal amount Units	Cost RM	Fair value RM	% of NAV %
QUOTED SHARIAH-COMPLIANT SECURITIES (CONT'D.)				
Technology				
Agmo Holdings Berhad	2,189	-	1,007	-
Frontken Corporation Berhad	30,000	113,598	119,400	2.9
Greatech Technology Berhad	50,000	84,759	85,000	2.1
MY E.G. Services Berhad	150,000	115,641	143,250	3.5
Notion Vtec Berhad	52,000	38,360	31,980	0.8
SFP Tech Holdings Berhad	300,000	76,500	64,500	1.6
	<u>584,189</u>	<u>428,858</u>	<u>445,137</u>	<u>10.9</u>
Telecom- munication & Media				
OCK Group Berhad	250,000	103,649	106,250	2.6
Telekom Malaysia Berhad	50,000	289,609	330,000	8.0
Time Dotcom Berhad	33,000	166,992	172,260	4.2
	<u>333,000</u>	<u>560,250</u>	<u>608,510</u>	<u>14.8</u>
Trading/ Services				
Aeon Co (M) Berhad	210,000	298,466	291,900	7.1
Utilities				
Mega First Corporation Berhad	80,000	287,811	303,200	7.3
TOTAL FINANCIAL ASSETS AT FVTPL	<u>2,325,689</u>	<u>3,466,271</u>	<u>3,847,637</u>	<u>93.3</u>
ACCUMULATED UNREALISED GAIN			<u>381,366</u>	

8. ISLAMIC DEPOSITS WITH FINANCIAL INSTITUTIONS

	2025 RM	2024 RM
Islamic deposits with licensed banks	<u>297,194</u>	<u>911,494</u>

The effective average profit rate for short-term Islamic placements as at 15 June 2025 is 2.90% (2024: 2.86%) per annum. The average maturity of the deposits as at 15 June 2025 is 3 days (2024: 3 days).

9. SHARIAH INFORMATION OF THE FUND

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

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

10. TOTAL EQUITY

	Note	2025 RM	2024 RM
Unit holders' capital	(a)	151,091	493,757
Retained earnings			
- Realised and distributable	(b)	3,607,305	3,790,106
- Unrealised and non-distributable	(c)	<u>381,366</u>	<u>908,950</u>
Total equity		<u>4,139,762</u>	<u>5,192,813</u>

(a) Unit holder's capital

	2025		2024	
	No. of Units	RM	No. of Units	RM
As at the beginning of the financial year	13,402,405	493,757	14,675,568	961,140
Creation of units	3,955	1,377	18,362	5,957
Cancellation of units	<u>(959,927)</u>	<u>(344,043)</u>	<u>(1,291,525)</u>	<u>(473,340)</u>
As at the end of the financial year	<u>12,446,433</u>	<u>151,091</u>	<u>13,402,405</u>	<u>493,757</u>

10. TOTAL EQUITY (CONT'D.)

(b) Realised and distributable

	2025 RM	2024 RM
As at the beginning of the financial year	3,790,106	3,830,192
Net realised loss	<u>(182,801)</u>	<u>(40,086)</u>
As at the end of the financial year	<u>3,607,305</u>	<u>3,790,106</u>

(c) Unrealised reserve and non-distributable

	2025 RM	2024 RM
As at the beginning of the financial year	908,950	(123,490)
Net unrealised (loss)/gain attributable to investments	<u>(527,584)</u>	<u>1,032,440</u>
As at the end of the financial year	<u>381,366</u>	<u>908,950</u>

11. UNITS HELD BY MANAGER

For the financial year ended 15 June 2025 and 15 June 2024, 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 %
2025				
MIDF Amanah Investment Bank Berhad*	2,366,181	41.2	5,435	43.5
Maybank Investment Bank Berhad	1,267,425	22.1	3,169	25.4
TA Securities Holdings Berhad	1,055,316	18.4	1,075	8.6
Public Investment Bank Berhad	626,484	10.9	1,566	12.5
Kenanga Investment Bank Berhad	370,600	6.5	742	6.0
Affin Hwang Investment Bank Berhad	50,400	0.9	504	4.0
TOTAL	<u>5,736,406</u>	<u>100.0</u>	<u>12,491</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 %
2024				
Maybank				
Investment Bank Berhad	2,008,358	31.6	5,021	34.0
MIDF Amanah				
Investment Bank Berhad*	1,679,366	26.5	4,198	28.4
Public Investment Bank Berhad	1,297,234	20.4	3,243	22.0
Kenanga				
Investment Bank Berhad	594,670	9.4	1,189	8.1
TA Securities Holdings Berhad	585,983	9.2	648	4.4
Affin Hwang				
Investment Bank Berhad	154,767	2.4	387	2.6
CGS-CIMB Securities Berhad	27,894	0.5	70	0.5
TOTAL	6,348,272	100.0	14,756	100.0

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

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 EXPENSE 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 June 2025, the TER of the Fund stood at 2.09% (2024: 2.06%).

14. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund is the ratio of the average acquisitions and disposal of the Fund for the financial year to the average NAV of the Fund. For the financial year ended 15 June 2025, the PTR of the Fund stood at 0.65 times (2024: 0.66 times).

15. SEGMENT INFORMATION

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

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

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

15. SEGMENT INFORMATION (CONT'D.)

	2025			2024		
	Quoted Shariah- compliant securities RM	Islamic deposits with financial institutions RM	Total RM	Quoted Shariah- compliant securities RM	Islamic deposits with financial institutions RM	Total RM
Dividend income	122,938	-	122,938	108,817	-	108,817
Profit income from Islamic deposits with financial institutions	-	22,617	22,617	-	26,769	26,769
Net gain from investments:						
- financial assets at FVTPL	(744,105)	-	(744,105)	978,676	-	978,676
Total segment operating income for the financial year	(621,167)	22,617	(598,550)	1,087,493	26,769	1,114,262
Financial assets at FVTPL	3,847,637	-	3,847,637	4,555,283	-	4,555,283
Islamic deposits with financial institutions	-	297,194	297,194	-	911,494	911,494
Amount due from brokers	-	-	-	222,170	-	222,170
Other receivables	21,025	71	21,096	13,771	110	13,881
Total segment assets	<u>3,868,662</u>	<u>297,265</u>	<u>4,165,927</u>	<u>4,791,224</u>	<u>911,604</u>	<u>5,702,828</u>
Total segment liabilities	-	-	-	-	-	-

15. SEGMENT INFORMATION (CONT'D.)

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

	2025	2024
	RM	RM
Net reportable segment operating (loss)/income	(598,550)	1,114,262
Expenses	(111,835)	(121,908)
Net (loss)/income before tax	(710,385)	992,354
Income tax expense	-	-
	<u> </u>	<u> </u>
Net (loss)/income after tax	<u>(710,385)</u>	<u>992,354</u>

Certain assets and liabilities of the Fund are not considered to be part of 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.

	2025	2024
	RM	RM
Total segment assets	4,165,927	5,702,828
Cash at bank	15,076	8,121
	<u> </u>	<u> </u>
Total assets of the Fund	<u>4,181,003</u>	<u>5,710,949</u>
Total segment liabilities	-	-
Other payables	32,945	27,855
Due to Manager	7,852	268,257
Due to Trustee	444	525
	<u> </u>	<u> </u>
Total liabilities of the Fund	<u>41,241</u>	<u>296,637</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 June 2025 by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2025				
Assets				
Financial assets at FVTPL	3,847,637	-	-	3,847,637
Islamic deposit with a financial institution	-	297,194	-	297,194
Cash at bank	-	15,076	-	15,076
Other receivables	-	21,096	-	21,096
Total financial assets	<u>3,847,637</u>	<u>333,366</u>	<u>-</u>	<u>4,181,003</u>
Liabilities				
Other payables	-	-	32,945	32,945
Due to Manager	-	-	7,852	7,852
Due to Trustee	-	-	444	444
Total financial liabilities	<u>-</u>	<u>-</u>	<u>41,241</u>	<u>41,241</u>
2024				
Assets				
Financial assets at FVTPL	4,555,283	-	-	4,555,283
Islamic deposits with financial institutions	-	911,494	-	911,494
Cash at bank	-	8,121	-	8,121
Other receivables	-	14,552	-	14,552
Amount due from brokers	-	222,170	-	222,170
Total financial assets	<u>4,555,283</u>	<u>1,156,337</u>	<u>-</u>	<u>5,711,620</u>
Liabilities				
Other payables	-	-	27,855	27,855
Due to Manager	-	-	268,257	268,257
Due to Trustee	-	-	525	525
Amount due to brokers	-	-	104,296	104,296
Total financial liabilities	<u>-</u>	<u>-</u>	<u>400,933</u>	<u>400,933</u>

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
2025				
Quoted Shariah- compliant securities	<u>3,847,637</u>	<u>-</u>	<u>-</u>	<u>3,847,637</u>
2024				
Quoted Shariah- compliant securities	<u>4,555,283</u>	<u>-</u>	<u>-</u>	<u>4,555,283</u>

Quoted Shariah-compliant securities

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

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

(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 MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

The Fund maintains Islamic investment portfolios in a variety of listed and unlisted Shariah-compliant 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 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 managing 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 are primarily set up to be performed based on limits established by the Manager (and Investment Manager, if applicable) and Trustee. These limits reflect the investment strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. In addition, the Fund monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risks types and activities.

(d) Risk mitigation

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

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

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

(e) Excessive risk concentration

Concentration risk indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry. 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 have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

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

(f) Market risk

(i) Profit rate risk

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

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

(ii) Equity price risk

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

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

(f) Market Risk (Cont'd.)

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

Equity price risk sensitivity

Management's best estimate of the effect on the profit 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
2025		
Changes in equity price	+5	192,382
2024		
Changes in equity price	+5	227,764

The Management assumed that the movement of FVTPL investments as at 15 June 2025 moves in line with the movement of the Bursa Malaysia KLCI index.

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

In practice, the actual trading results may differ from the sensitivity analysis above 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 Shariah-compliant equity instruments as at the reporting date.

	2025		2024	
	Fair value RM	% of NAV	Fair value RM	% of NAV
Malaysia	3,847,637	93.3	4,555,283	87.7

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

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

(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 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
2025		
Financial assets:		
Financial assets held at FVTPL	3,847,637	3,847,637
Islamic deposits with financial institutions	297,194	297,194
Other financial assets	36,172	36,172
	<u>4,181,003</u>	<u>4,181,003</u>
Total undiscounted financial assets		
	<u>4,181,003</u>	<u>4,181,003</u>
Financial liabilities:		
Other financial liabilities	41,241	41,241
	<u>41,241</u>	<u>41,241</u>
Total undiscounted financial liabilities		
	<u>41,241</u>	<u>41,241</u>
NAV attributable to unit holders	4,139,762	4,139,762
	<u>4,139,762</u>	<u>4,139,762</u>
Liquidity gap	<u>-</u>	<u>-</u>
2024		
Financial assets:		
Financial assets held at FVTPL	4,555,283	4,555,283
Islamic deposits with financial institutions	911,494	911,494
Other financial assets	22,673	22,673
	<u>5,489,450</u>	<u>5,489,450</u>
Total undiscounted financial assets		
	<u>5,489,450</u>	<u>5,489,450</u>
Financial liabilities:		
Other financial liabilities	296,637	296,637
	<u>296,637</u>	<u>296,637</u>
Total undiscounted financial liabilities		
	<u>296,637</u>	<u>296,637</u>
NAV attributable to unit holders	5,192,813	5,192,813
	<u>5,192,813</u>	<u>5,192,813</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 behavioural cash flows, i.e. the 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 Islamic 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 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

MANAGER	MIDF Amanah Asset Management Berhad Registration Number: 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 (Registration No.: 200701008892 (766894-T)) Level 31, Vista Tower, The Intermark, 348, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
BOARD OF DIRECTORS	Tai Keat Chai – Chairman (Appointed as Chairman w.e.f 27 June 2025) Hasman Yusri Yusoff Shan Kamahl Mohammad Dato' Seri Diraja Nur Julie Gwee Ariff (Resigned w.e.f 21 January 2025) Hasnah Omar (Retired w.e.f 26 June 2025)
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 Dato' Seri Diraja Nur Julie Gwee Ariff (Resigned w.e.f 21 January 2025)
COMPANY SECRETARIES	Nor Azita Sarip (MAICSA 7048861) Nor'adilah Mohd Arshad (LS 10098)
AUDITOR	Ernst & Young PLT Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur

CORPORATE INFORMATION (CONT'D.)

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	Maybank Islamic Berhad (Registration No.: 200701029411 (0787435M)) Menara Maybank, Jalan Tun Perak, 50050 Kuala Lumpur OCBC Al-Amin Bank Berhad (Registration No.: 200801017151 (818444-T)) 18th Floor, Menara OCBC 18 Jalan Tun Perak 50050 Kuala Lumpur



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