

# ANNUAL REPORT

## TA RAINBOW INCOME FUND 12

For the financial period ended  
30 June 2023



TA INVESTMENT

A MEMBER OF THE TA GROUP

199501011387 (340588-T)

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Ipoh Business Centre	29A Jalan Niaga Simee Arena Niaga Simee 31400 Ipoh Perak Tel: 05-350 0399
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# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

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# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## Key Performance Data

Since the  
Fund Launch  
27/04/22 to 30/06/23

### PORTFOLIO COMPOSITION (% OF NAV)

Fixed Income Instruments (ZNIDs and Bond)	89.39
Structured Product	3.77
Cash (Net of Liabilities)	6.84
<b>Total Investment</b>	<b>100.00</b>

Total Net Asset Value (RM'000)	86,743
Units In Circulation (Units '000)	85,940
Net Asset Value Per Unit (RM)	1.0093
Total Expense Ratio (TER) (%)	0.07
Portfolio Turnover Ratio (PTR) (times)	0.52

### UNIT PRICES

NAV Per Unit (RM)	1.0093
Highest NAV Per Unit for the Period (RM)	1.0141
Lowest NAV Per Unit for the Period (RM)	0.9541

### TOTAL RETURN (%)

Capital Return	0.93
Income Return	-
Total Return of Fund	0.93
Total Return of the Benchmark	3.11

### AVERAGE TOTAL RETURN (%)

	Fund	Benchmark
<b>Period</b>		
Since Inception (27/04/2022 to 30/06/2023)	0.79	2.64

### ANNUAL TOTAL RETURN (%)

	Fund	Benchmark
<b>Period</b>		
Since Inception (27/04/2022 to 30/06/2023)	0.93	3.11

Source : Lipper for Investment Management

Past performance is not necessarily indicative of future performance. Unit prices and investment returns may go down, as well as up.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

The basis of calculating and assumption made in calculating the returns:

$$\text{Percentage Growth} = \frac{N^1 - N^2}{N^2} \times 100$$

$N^1$  = NAV on the end of the period

$N^2$  = NAV on the beginning of the period

$$\text{* Average Total Return} = \frac{\text{Total Sub Period Returns}}{\text{Number of Sub Periods}}$$

$$\text{** Annual Total Return} = (1 + \text{Cumulative Return})^{N^3 / N^4} - 1$$

$N^3$  = Number of periods per year

$N^4$  = Total number of periods

Factor in for unit splits and distributions paid out (if any during the period)

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## Manager's Report

### TA Rainbow Income Fund 12

<b>Fund Category/Type</b>	Fixed Income (Close-ended) / Income
<b>Fund Objective</b>	<p>The Fund aims to provide income* whilst preserving capital** on Maturity Date.</p> <p><i>*The Fund will invest in Derivatives which enable the Fund's performance to be exposed to the performance of the Rainbow Basket for potential annual payouts. Income distribution will be paid to you by way of cash deposit to a bank account held in your own name.</i></p> <p><i>**Investors are advised that this Fund is <b>neither a capital guaranteed nor a capital protected fund</b>. The capital will be preserved by investments in Fixed Income Instruments. <b>Consequently, the return of capital is SUBJECT TO the credit and default risk and currency risk associated with the investments in Fixed Income Instruments.</b></i></p>
<b>Performance Benchmark</b>	Maybank 12 months fixed deposit rate as at the Commencement Date of the Fund.
<b>Tenure</b>	3 Years (Close-ended)
<b>Maturity Date</b>	23 June 2025
<b>Fund's Distribution Policy</b>	Subject to the availability of income, distribution will be made once a year.
<b>Fund's Performance and Investment Strategies Employed</b>	<p>The Fund was managed within its investment objective for the financial year under review. For the period since its inception up to 30 June 2023, the Fund had a total return of 0.93%, underperforming the benchmark which had a performance of 3.11%.</p> <p>The Fund invested in structured products issued by BNP Paribas S.A. linked to the performance of the following underlying assets:</p> <ul style="list-style-type: none"> <li>• BlueBay Investment Grade Euro Aggregate Bond Fund – EUR [BBIGEIB LX]</li> <li>• Amiral Gestion Sextant Grand Large [AMSEGLA FP]</li> <li>• S&amp;P 500 Daily Risk Control 5% Excess Return (USD) Index [SPXT5UE]</li> </ul> <p>TA Rainbow Income Fund 12 has reached its first observation on 21<sup>st</sup> June 2023. Due to prevailing market</p>

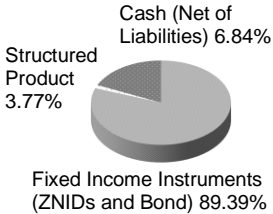
# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

	conditions and inflationary concerns, the Fund's underlying assets retraced earlier gains, with two of the underlyings posting slight positive returns, but they were not enough to offset the negative return of the BlueBay Investment Grade Euro Aggregate Bond underlying which was negatively impacted by the unprecedented interest rate-hiking environment.												
<b>Securities Lending/ Repurchase Transaction</b>	The Fund has not undertaken any securities lending or repurchase transaction (collectively referred to as "securities financing transactions").												
<b>Cross Trade</b>	There is no cross trade transaction during the financial period under review.												
<b>Analysis of Fund's Performance</b>	<table border="1"> <thead> <tr> <th></th> <th>30/06/23</th> <th>27/04/22</th> <th>% Change</th> </tr> </thead> <tbody> <tr> <td>NAV/unit (RM)</td> <td>1.0093</td> <td>1.0000</td> <td>0.93</td> </tr> <tr> <td>Total NAV (RM'000)</td> <td>86,743</td> <td>-</td> <td>-</td> </tr> </tbody> </table>		30/06/23	27/04/22	% Change	NAV/unit (RM)	1.0093	1.0000	0.93	Total NAV (RM'000)	86,743	-	-
		30/06/23	27/04/22	% Change									
NAV/unit (RM)	1.0093	1.0000	0.93										
Total NAV (RM'000)	86,743	-	-										
	<table border="1"> <thead> <tr> <th>Income Distribution (%)</th> <th>Capital Return # (%)</th> <th>Total Return (%)</th> </tr> </thead> <tbody> <tr> <td>-</td> <td>0.93</td> <td>0.93</td> </tr> </tbody> </table> <p># Capital Return components:</p> <ul style="list-style-type: none"> <li>❖ Fixed Income Instruments (ZNIDs and Bond)</li> <li>❖ Derivative</li> <li>❖ Cash</li> </ul>	Income Distribution (%)	Capital Return # (%)	Total Return (%)	-	0.93	0.93						
Income Distribution (%)	Capital Return # (%)	Total Return (%)											
-	0.93	0.93											
<b>Performance Chart</b>	<p>Performance Chart Since Inception From 27/04/2022 to 30/06/2023</p> <p>--- Maybank 12 Months Fixed Deposit Rate : 3.11          — TA Rainbow Income 12* : 0.93          * Contains estimated data.</p>												
	<p>Source: Lipper Investment Management          Past performance is not necessarily indicative of future performance.</p>												

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

<b>Distribution/Unit Split</b>	None were declared for the financial year under review 30 June 2023.	
<b>Asset Allocation</b>	<b>30/06/23</b>	<b>27/04/22</b>
	 <p>Cash (Net of Liabilities) 6.84%</p> <p>Structured Product 3.77%</p> <p>Fixed Income Instruments (ZNIDs and Bond) 89.39%</p>	Not Available
	The Fund was primarily invested in Fixed Income Instruments (89.39%), Structured Product issued by BNP Paribas S.A. (3.77%), and the remainder in Cash.	
<b>Top Investment</b>	<b>As at 30/06/23</b>	<b>% NAV</b>
	Fixed Income Instruments (ZNIDs and Bond)	89.39
	Structured Product	3.77
	<b>As at 27/04/22</b>	<b>% NAV</b>
	Nil	Nil

*Past performance is not necessarily indicative of future performance. Unit prices and investment returns may go down, as well as up.*



# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## Market Review

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Markets slumped in the latter half of 2022, weighed down by hawkish comments from United States (US) Federal Reserve (Fed) officials signalling that interest rate hikes are not going away anytime soon while global inflation rates rose unabated throughout much of 2022. Global recession risks heightened further due to escalations of the Russia-Ukraine war and China's economic slowdown, even as further outbreaks of the Coronavirus Disease of 2019 (COVID-19) in China impacted market sentiments across Asia.

China's loosening of its zero-COVID-19 policy restrictions in December 2022 came earlier than the anticipated March 2023 / April 2023 timeline, which led to a strong start for markets in 2023 amidst signs of inflationary pressures subsiding which led to optimism that Fed rates may soon be peaking. However, concerns surrounding the stability of the financial sector in the US and Europe emerged following the collapse of several major banks, as well as the collapse of Credit Suisse in Europe, which led to the decision by Swiss regulators to engineer a takeover by Union Bank of Switzerland (UBS).

After ten consecutive rate hikes from 0.25 at the beginning of 2022, the Fed Funds Rate has reached the 5.00% to 5.25% range in May 2023. Market sentiment oscillated between a potential pause in the Fed's tightening in June 2023 / July 2023 even futures markets continued to price in rate cuts by late 2023. Outside the US, the European Central Bank (ECB) has raised rates to 3.50% as of 21 June 2023, and its policymakers' tone that a ninth consecutive hike in July 2023 was all but guaranteed came amidst inflation data that showed signs of easing (annual rate: 5.5% in June 2023, down from 6.1% in May 2023), but still higher than the ECB's 2% goal.

The Fund has reached its first observation on 21st June 2023. Due to prevailing market conditions and inflationary concerns, the Fund's underlying assets retraced earlier gains, with two of the underlyings posting slightly positive returns, but they were not enough to offset the negative return of the fixed income underlying which was negatively impacted by the unprecedented interest rate hiking environment. In particular, the BlueBay Investment Grade Euro Aggregate Bond Fund slipped into the negative, in line with the pricing decline in broader European Fixed Income, as indicated by the Bloomberg European Aggregate Total Return Index, which slipped a further -1.48% over the one-year period.<sup>1</sup> As a result of this outsized decline, TARAIF 12's first year observation payout is zero.

However, payouts are still possible for the subsequent second and third observation dates of 21 June 2024 and 23 June 2025 to take advantage of recovering markets and stabilizing yields as central banks appear to be approaching the peak of their hiking exercise.

<sup>1</sup> Source: TA Investment, Bloomberg Terminal, total return over the one-year period from 21 June 2022 to 21 June 2023. Past performance is not an indicator of future performance.

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The performance of the underlying assets of the Fund are as follows:-

## TA Rainbow Income Fund 12

Underlying	Quote	Average Strike 21/06/2022	Q1 Price at 21/09/2022	Q2 Price at 21/12/2022	Q3 Price at 21/03/2023	Q4 Price at 21/06/2023	Average Quarterly Price	% Change	% Weightage (45-30-25)	% Total Return
BlueBay Investment Grade Euro Aggregate Bond Fund - EUR	BBIGEIB LX	164.6300	161.17	160.02	160.65	160.05	160.4725	-2.5254	0.25	-0.6313
Amiral Gestion Sextant Grand Large	AMSEGLA FP	443.8667	433.91	433.88	452.16	465.53	446.3700	0.5640	0.45	0.2538
S&P 500 Daily Risk Control 5% Excess Return (USD) Index	SPXTSUE	158.59	156.91	157.65	158.54	162.74	158.9600	0.2312	0.30	0.0694
										-0.3082
Currency Rate at Start (USD/MYR):							4.402			
Currency Rate (USD/MYR) BNM:							4.643	As at	21/06/2023	
Currency Factor:							1.055			
Underlying Payout for First Observation (21 June 2023)							0.00			

(Source: TA Investment Management, BNP Paribas, as at June 2023)

## BlueBay Investment Grade Euro Aggregate Bond Fund

The fund declined -0.64% over the one-year period as of 21 June 2023. As of end-May 2023, the fund was overweight on Sovereigns (+0.72%), Banking (+0.21%) and Insurance (+0.07%) and underweight Treasuries (-0.91%), Local Authorities (-0.29%) and Mortgage Assets (-0.29%) relative to its Index. By credit quality, the fund was primarily invested in BBB (37.55%), AAA (26.06%), AA (14.37%), A (14.35%) and B (4.49%) with the remainder in cash.

Crosscurrents have caused many assets to trade sideways over recent weeks and this environment is one where it is important to remember that sometimes patience is the key to delivering good investment results. Markets have calmed somewhat since March 2023, and the removal of the US debt ceiling overhang is a positive at the margin. However, markets will likely continue to ponder how tighter financial conditions resulting from the bank failures might play into the path for rates, while also trying to work out how all this impacts growth as we move through the remainder of the 2023. Inflation is still uncomfortably high and growth data will also be keenly watched. In the near term, hard data implies that economies maintain a degree of momentum, though there are some signs in forward-looking data and bottom-up evidence that growth is slowing, as we should expect after the tightening of monetary policy and lending standards. At this stage, we continue to expect a mild recession on both sides of the Atlantic towards the end of the year.

We would expect US rates to stay there for at least the next six months before we see potential rate cuts in 2024, should price stability be restored. As such, we see US rates as fairly priced here. In the eurozone, growth and inflation are showing signs of slowing. However, again, we are not too pessimistic about the outlook. Front-end United Kingdom (UK) rates looks more interesting for a tactical long position. With price pressures likely to moderate from here, the more dovish Bank of England (BoE) may well disappoint a market that now expects close to another 100 basis points (bps) of rate hikes in 2023. The one more strategic short rate bias we continue to have is in Japan. With inflation in the country at a 40-year high, we expect to see the Bank of Japan (BoJ) further revise its yield curve control ceiling. This could also have broader implications for global yields and, indeed, could even impact risk assets – so is one to watch closely.

Looking at corporate bonds, we remain modestly constructive in the near term on investment-grade credit, although with a bias towards higher-rated / less-cyclical issuers, given the growth uncertainty. Early 2023 showed there is solid investor demand, given the

## TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

higher yields and wider spreads. Although the turmoil of recent events in the banking sector has seen a pause in flows, we do think that the technical backdrop is supportive for the asset class, helped by the fact that investor risk positioning looks to be light. On fundamentals, balance sheets are in relatively good shape and migration risk to high yield should be low, even if growth disappoints. Furthermore, we would say that banks now look even cheaper. As we have been highlighting, while it may take some time for the sector to fully regain its composure, we do expect banks to outperform as we move through the year. They will be helped by the fact that their earnings will continue to benefit from higher rates and relatively good credit quality, as well as the fact that recent heavy new-issue supply will slow into the summer.

*(Source: Bloomberg Terminal, BlueBay Asset Management as at June 2023)*

### **Amiral Gestion Sextant Grand Large**

Over the one-year period as of 21 June 2023, the fund rose 4.75%. This was achieved in rising markets and despite low exposure to equities, thanks to strong outperformance by some components of the portfolio. The fund's net exposure to equities varies with cyclically-adjusted market valuations. As share prices rise, exposure is reduced and vice versa, irrespective of any macroeconomic or stock-market scenario. As at end May 2023, the net exposure to equities was 32.8%, of which 52.8% was in gross equity exposure, and -20.0% was in futures & options. Bonds stood at 22.9%, comprised of corporate (19.6%) and convertibles (3.3%). The Cash portion stood at 24.2%.

In the equity portion, the breakdown by country was primarily in France (46.1%), the US (10.3%) and Germany (7.6%) while the top sectors were financials (16.2%), business services (13.2%) and media / internet (12.1%). In the fixed income portion, 65.4% was in high yields while 32.0% was unrated.

The fund is particularly contrarian at present, with many neglected securities whose valuations are far below those of major indices. The portfolio chiefly comprises the more attractive segments mentioned above: European and Asian small- and mid-cap stocks and, generally, those trading at a discount despite a stable business activity or whose valuation is particularly low. In recent years, we have been particularly attracted to stocks whose shareholders and management are investing in the capital, in order to avoid stocks that are inexpensive for good reasons. This is still a strong feature of the portfolio, alongside an absence of debt.

*(Source: Bloomberg Terminal, Amiral Gestion S.A. as at June 2023)*

### **S&P 500 Daily Risk Control 5% Excess Return Index 3.62**

The index had a return of 3.62% over the one-year period up to 21 June 2023. The index relies on S&P 500 methodology and overlays mathematical algorithms to maintain specific volatility targets. Index exposure is dynamically rebalanced based on observed S&P 500 historic volatility to maintain the 5% volatility target.

*(Source: Bloomberg Terminal, S&P Global, as at June 2023)*

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## Market Outlook And Investment Strategy

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On the fixed income portion, after Bank Negara Malaysia's (BNM) latest Overnight Policy Rate (OPR) hike to 3.00% at the May 2023 Monetary Policy Committee (MPC) meeting, upside risk remains for domestic inflation and the OPR, in particular due to the prospect of government subsidies removal in the second half of 2023. Nevertheless, the near-term risk-return profile has improved following upward adjustment of Malaysian Government Securities (MGS) yield levels in June 2023. We reiterate our view that current bond yields provide value and capital gains potential for long-term investors given rising recession risk. In the meanwhile, headline and United States Treasuries (UST)-driven market volatility can provide trading and attractive market entry opportunities.

In terms of Ringgit (MYR) corporate bonds, credit spreads have narrowed in June 2023, in line with our expectation. We expect onshore appetite for corporate bonds supply to remain strong through third quarter 2023. We recommend neutral duration positioning, selective primary issuances participation and/or entry at times of market weakness. We prefer credits with strong balance sheets, proven execution capability and financial discipline amidst weakening macroeconomic prospect.

## Soft Commission

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The Manager retains soft commissions received from brokers only if the goods and services are of demonstrable benefits to the unitholders as allowed under the Securities Commission's Guidelines on Unit Trust Funds. The soft commission received include research and advisory services which are used to support the investment decision making process and are of demonstrable benefit to Unitholders of the Fund and there was no churning of trades.

## State Of Affairs Of The Fund

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There has been neither significant changes to the state of affair of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial period under review.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## **TRUSTEE'S REPORT TO THE UNIT HOLDERS OF TA RAINBOW INCOME FUND 12 ("Fund")**

We have acted as Trustee of the Fund for the financial period from 27 April 2022 (date of launch) to 30 June 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **TA INVESTMENT MANAGEMENT BERHAD** has operated and managed the Fund during the period 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.

For and on behalf of  
**CIMB Commerce Trustee Berhad**

**Datin Ezreen Eliza binti Zulkiplee**  
Chief Executive Officer

Kuala Lumpur, Malaysia

Date: 29 August 2023

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## **STATEMENT BY THE MANAGER**

We, CHOO SWEE KEE and MOHAMMED A'REEFF BIN ABDUL KHALID, being two of the Directors of TA INVESTMENT MANAGEMENT BERHAD, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 16 to 44, are drawn up so as to give a true and fair view of the financial position of TA RAINBOW INCOME FUND 12 as at 30 June 2023 and of its financial performance and cash flows for the financial period ended on that date in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

On behalf of the Manager,

**CHOO SWEE KEE**

Kuala Lumpur, Malaysia

Date: 29 August 2023

**MOHAMMED A'REEFF BIN ABDUL KHALID**

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## **INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF TA RAINBOW INCOME FUND 12**

(Incorporated in Malaysia)

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of TA Rainbow Income Fund 12 (hereinafter referred as "the Fund"), which comprise the statement of financial position as at 30 June 2023, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 16 to 44.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2023, and of its financial performance and its cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

#### **Basis for Opinion**

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

#### **Independence and Other Ethical Responsibilities**

We are independent of the Fund and Manager 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 Ethics Standards Board for Accountants' *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 is responsible for the other information. The other information comprises the information included in the Fund Annual Report, 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.

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(For the financial period ended 30 June 2023)

## **Information Other than the Financial Statements and Auditors' Report Thereon (continued)**

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 the other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Manager and Trustee for the Financial Statements**

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

In preparing the financial statements of the Fund, the Manager is responsible for assessing the ability of the Fund 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 intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

## **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 scepticism 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.



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(For the financial period ended 30 June 2023)

## **Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

- 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 internal control of the Fund.
- 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 ability of the Fund 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 gives a true and fair view.

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 Matter**

This report is made solely to the unit holders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants

Petaling Jaya, Selangor

Date: 29 August 2023

**Lee Yeit Yeen**  
Approval Number: 03484/02/2024 J  
Chartered Accountant

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 27 APRIL 2022 (DATE OF LAUNCH) TO 30 JUNE 2023

		27.04.2022 to 30.06.2023 RM
	Note	
<b>INCOME</b>		
Interest income		3,238,230
Other income		3,836
Net loss on financial assets at fair value through profit or loss ("FVTPL")	7	<u>(2,385,585)</u>
		<u>856,481</u>
<b>EXPENSES</b>		
Trustee's fee	4	37,724
Auditors' remuneration		10,000
Tax agent's fee		4,250
Administrative fees and expenses		<u>849</u>
		<u>52,823</u>
Net income before tax		803,658
Income tax expense	6	<u>-</u>
Net income after tax, representing total comprehensive income for the financial period		<u>803,658</u>
Net income after tax is made up of the following:		
Net realised income		1,490,706
Net unrealised loss		<u>(687,048)</u>
		<u>803,658</u>

The accompanying notes form an integral part of the financial statements.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	30.06.2023 RM
<b>ASSETS</b>		
Investments	7	80,806,774
Deposit with financial institution	8	5,475,918
Interest receivable		503,351
Cash at bank		22,341
<b>TOTAL ASSETS</b>		<b>86,808,384</b>
<b>LIABILITIES</b>		
Amount due to the Manager	9	48,995
Amount due to Trustee		2,861
Other payables and accruals		13,250
<b>TOTAL LIABILITIES</b>		<b>65,106</b>
<b>NET ASSET VALUE ("NAV")</b>		
Unitholders' capital	10(a)	85,939,620
Retained earnings	10(b),(c)	803,658
<b>NAV ATTRIBUTABLE TO UNITHOLDERS</b>		<b>86,743,278</b>
<b>TOTAL NAV AND LIABILITIES</b>		<b>86,808,384</b>
<b>NUMBER OF UNITS IN CIRCULATION</b>	10(a)	<b>85,939,796</b>
<b>NAV PER UNIT</b>		<b>1.0093</b>

The accompanying notes form an integral part of the financial statements.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## STATEMENT OF CHANGES IN NET ASSET VALUE ("NAV") FOR THE FINANCIAL PERIOD FROM 27 APRIL 2022 (DATE OF LAUNCH) TO 30 JUNE 2023

	<b>Unitholders' capital Note 10(a) RM</b>	<b>Retained earnings Note 10(b) and (c) RM</b>	<b>Total NAV RM</b>
At 27 April 2022 (Date of launch)	-	-	-
Total comprehensive income for the financial period	-	803,658	803,658
Creation of units	86,255,039	-	86,255,039
Cancellation of units	(315,419)	-	(315,419)
At 30 June 2023	<u>85,939,620</u>	<u>803,658</u>	<u>86,743,278</u>

The accompanying notes form an integral part of the financial statements.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 27 APRIL 2022 (DATE OF LAUNCH) TO 30 JUNE 2023

27.04.2022  
to  
30.06.2023  
RM

### CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES

Purchases of investments	(83,192,359)
Interest received	2,734,879
Other income received	3,836
Trustee's fee paid	(34,863)
Payments for other fees and expenses	(1,849)
Net cash used in operating and investing activities	<u>(80,490,356)</u>

### CASH FLOWS FROM FINANCING ACTIVITIES

Cash received from units created	86,255,039
Cash paid on units cancelled	(266,424)
Net cash generated from financing activities	<u>85,988,615</u>

### NET INCREASE IN CASH AND CASH EQUIVALENTS

5,498,259

### CASH AND CASH EQUIVALENTS AT THE DATE OF LAUNCH

-

### CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD

5,498,259

### CASH AND CASH EQUIVALENTS COMPRISE:

Cash at bank	22,341
Deposit with financial institution	5,475,918
Cash and cash equivalents	<u>5,498,259</u>

The accompanying notes form an integral part of the financial statements.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 27 APRIL 2022 (DATE OF LAUNCH) TO 30 JUNE 2023**

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

TA Rainbow Income Fund 12 ("the Fund") was constituted pursuant to the execution of a Deed of Trust ("the deed") dated 31 March 2022 between the Manager, TA Investment Management Berhad and the Trustee, CIMB Commerce Trustee Berhad.

The principal activity of the Fund is to invest in "Permitted Investments" as defined under Clause 7 of the deed, which include derivative products, bonds, Zero-coupon Negotiable Instruments of Deposits ("ZNIDs") and money market instruments. The Fund commenced its operations on 27 April 2022 and will continue its operations until terminated by the Trustee as provided under Clause 12 of the deed. The Fund is a close-ended fund maturing on the third (3rd) anniversary of the Commencement Date.

The Manager, TA Investment Management Berhad, a company incorporated in Malaysia, is a wholly-owned subsidiary of TA Securities Holdings Berhad. Its ultimate holding company is TA Enterprise Berhad. The Manager's principal activities are the establishment and management of unit trust funds and fund management. The Manager is licensed to carry out dealing in securities and fund management activities under the Capital Markets and Services Act 2007.

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with a resolution on 29 August 2023.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 Basis of Preparation**

##### **(a) Statement of Compliance**

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"), collectively known as the "Standards".

The following are accounting standards, amendments and interpretations of the MFRS framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Fund:

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

### 2.1 Basis of Preparation (contd.)

#### (a) Statement of Compliance (contd.)

##### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform - Pillar Two Model Rules*

##### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

##### ***MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Fund plans to adopt the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 July 2023 for the accounting standard and those amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 and amendments to MFRS 17 which are not applicable to the Fund.

The Fund plans to adopt the abovementioned accounting standards, interpretations and amendments: (contd.)

- from the annual period beginning on 1 July 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024, except for amendments to MFRS 16 which is not applicable to the Fund.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

### 2.1 Basis of Preparation (contd.)

#### (a) Statement of Compliance (contd.)

The initial application of the abovementioned accounting standards, interpretations or amendments is not expected to have any material financial impact to the financial statements of the Fund.

#### (b) Basis of measurement

The financial statements of the Fund have been prepared on a historical basis unless otherwise indicated in Note 2.2.

#### (c) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Fund's functional currency.

### 2.2 Significant Accounting Policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, unless otherwise stated.

#### (a) Financial Instruments

##### (i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the instrument.

A financial asset or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.



# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

### 2.2 Significant Accounting Policies (contd.)

#### (a) Financial Instruments (contd.)

##### (ii) Financial instrument categories and subsequent measurement

###### *Financial assets*

The Fund determines the classification of its financial assets at initial recognition, and the categories include financial assets at FVTPL and amortised cost.

###### (a) Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2.2(b)) where the effective interest rate is applied to the amortised cost.

###### (b) Fair value through profit or loss

All financial assets not measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument).

On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss are subject to impairment assessment (see Note 2.2(b)).

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

### 2.2 Significant Accounting Policies (contd.)

#### (a) Financial Instruments (contd.)

##### (ii) Financial instrument categories and subsequent measurement (contd.)

###### *Financial Liabilities*

###### **Amortised cost**

Financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

##### (iii) Derecognition

A financial asset is derecognised when the asset is disposed and the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

A financial liability or part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

##### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the financial statement when there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle them on a net basis or to realise the asset and liability simultaneously.

#### (b) Impairment

##### **Financial assets**

The Fund recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

### 2.2 Significant Accounting Policies (contd.)

#### (b) Impairment (contd.)

##### Financial assets (contd.)

The Fund measures loss allowances at an amount equal to lifetime expected credit loss, except for debt securities, if any, that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Fund is exposed to credit risk.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

The gross carrying amount of a financial asset is written off (either partially or fully) to the extent that there is no realistic prospect of recovery. This is generally the case when the Fund determines that the obligor does not have assets or sources of income that could generate sufficient cash flows to pay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Fund's procedures for recovery of amounts due.

#### (c) 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 financial period.

The realised gains and losses on sale of investments are measured as the difference between the net disposal proceeds and the carrying amount of the investments. The carrying amount for determining the realised gains and losses on sale of investments is based on the weighted average cost method.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

### 2.2 Significant Accounting Policies (contd.)

#### (d) Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Fund at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instrument where they are measured at fair value through other comprehensive income or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

#### (e) Unitholders' Capital

The unitholders' capital of the Fund is classified as an equity instrument.

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

#### (f) Distribution

Distribution is at the discretion of the Fund. A distribution to the Fund's unitholders is made from realised gains or realised income as at the point of time of distribution declaration, except where distribution is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' capital. A proposed distribution is recognised as a liability in the period in which it is approved.

#### (g) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and short-term deposits with financial institutions that are readily convertible to known amount of cash which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Fund in the management of its short-term commitments.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

### 2.2 Significant Accounting Policies (contd.)

#### (h) Income Recognition

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.

Interest income is recognised using the effective interest rate method.

#### (i) Income Tax

Current tax assets or liabilities position as at reporting date are measured at the net amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the tax expense for the financial period 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.

Deferred tax is provided for, using the liability method, on taxable temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the unutilised tax incentives can be utilised.

#### (j) Segment Reporting

For management purposes, the Fund is managed under two main portfolios, namely "unquoted structured products and unquoted bonds" and "unquoted Zero-coupon Negotiable Instruments of Deposits ("ZNIDs") and money market instruments". Each segment engages in separate investing activities and the operating results are regularly reviewed by the Investment Manager and Investment Committee. The Investment Committee assumes the role of chief operating decision maker, for performance assessment purposes and to make decisions about resources allocated to each investment segment.

#### (k) Significant Accounting Estimates and Judgments

The preparation of the Fund's financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, 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.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)**

### **2.2 Significant Accounting Policies (contd.)**

#### **(k) Significant Accounting Estimates and Judgments (contd.)**

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

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

No manager's fee is imposed on this Fund.

## **4. TRUSTEE'S FEE**

Trustee's fee is computed on a daily basis at 0.04% per annum of the NAV of the Fund, subject to minimum of RM6,000 per annum.

## **5. REDEMPTION CHARGE (EXIT FEE)**

A charge of 3% of the NAV of the Fund for early redemption by unitholders before the Fund's maturity date.

## **6. INCOME TAX EXPENSE**

Domestic income tax expense for the period is calculated at the Malaysian statutory tax rate of 24% of the taxable profit for the financial period. Foreign source income is subject to tax after 1 January 2022 and a transitional tax rate of 3% is accorded on the gross amount remitted from 1 January 2022 to 30 June 2022.

In accordance with Schedule 6 of the Income Tax Act 1967, interest income earned by the Fund is exempted from Malaysian tax, except for interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 6. INCOME TAX EXPENSE (CONTD.)

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

	<b>27.04.2022</b>
	<b>to</b>
	<b>30.06.2023</b>
	<b>RM</b>
Net income before tax	<u>803,658</u>
Taxation at Malaysian statutory rate of 24%	192,878
Effects of interest and other income not subject to tax	(778,096)
Effects of expenses not deductible for tax purpose	582,818
Restriction on tax deductible expenses for unit trust funds	<u>2,400</u>
Income tax expense for the financial period	<u>-</u>

## 7. INVESTMENTS

	<b>Note</b>	<b>30.06.2023</b>
		<b>RM</b>
Financial assets at FVTPL:		
Unquoted structured products outside Malaysia	(a)	3,269,694
Unquoted bonds in Malaysia	(b)	63,717,280
Unquoted Zero-coupon Negotiable Instrument of Deposits ("ZNID") in Malaysia	(c)	<u>13,819,800</u>
		<u>80,806,774</u>
Net loss on financial assets at FVTPL comprises:		
Net realised loss on disposals		(1,698,537)
Net unrealised loss on changes in fair value		<u>(687,048)</u>
		<u>(2,385,585)</u>

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 7. INVESTMENTS (CONTD.)

Financial assets at FVTPL as at 30 June 2023 are as detailed below:

### (a) Unquoted structured products outside Malaysia

Name of Structured Products	Quantity Unit	Cost RM	Fair Value RM	% of NAV %
BNP Paribas 2Y USD Warrant Basket of Funds and Index	5,000	2,001,759	1,475,121	1.70
BNP Paribas 3Y USD Warrant Basket of Funds and Index	5,000	2,046,045	1,794,573	2.07
<b>Total unquoted structured products outside Malaysia</b>	<b>10,000</b>	<b>4,047,804</b>	<b>3,269,694</b>	<b>3.77</b>

### (b) Unquoted bonds in Malaysia

Name of Bonds' Issuers	Quantity Unit	Cost RM	Fair Value RM	% of NAV %
Benih Restu IMTN 4.62% 05/06/2025	10,000,000	10,090,146	10,138,900	11.69
Malaysia Government Sukuk 1/2018 3.882% 14/03/2025	13,000,000	13,083,545	13,101,530	15.10
Pengurusan Air SPV Berhad PASB IMTN (GG) 4.56% 6/6/2025 Issue No.35	15,000,000	15,205,248	15,253,500	17.59
Public MTN 2557D 09/04/2025	10,000,000	10,109,937	10,139,600	11.69
Toyota Cap MTN 1827D 27/02/2025	5,000,000	4,954,771	4,976,950	5.74
Westsports IMTN 4.43% 01/04/2025	10,000,000	10,095,673	10,106,800	11.65
<b>Total unquoted bonds in Malaysia</b>	<b>63,000,000</b>	<b>63,539,320</b>	<b>63,717,280</b>	<b>73.46</b>



# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 7. INVESTMENTS (CONTD.)

### (c) Unquoted Zero-coupon Negotiable Instrument of Deposits ("ZNID") in Malaysia

Issuer Bank	Notional Amount RM	Cost RM	Fair Value RM	% of NAV %
Hong Leong Bank Bhd (23/06/2025)	15,000,000	13,911,000	13,819,800	15.93
<b>Total ZNID in Malaysia</b>	15,000,000	13,911,000	13,819,800	15.93
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>		<b>81,498,124</b>	<b>80,806,774</b>	<b>93.16</b>
<b>EXCESS OF COST OVER FAIR VALUE</b>			<b>691,350</b>	

## 8. DEPOSIT WITH FINANCIAL INSTITUTION

30.06.2023  
RM

Placements with licensed banks	5,475,918
--------------------------------	-----------

The weighted average effective interest rate ("WAEIR") per annum ("p.a.") and average remaining maturity of deposit with financial institution as at the reporting date are as follows:

	WAEIR (% p.a.) 30.06.2023	Average Remaining Maturity (Days) 30.06.2023
Short-term placements	3.20	16

## 9. AMOUNT DUE TO THE MANAGER

Amount due to the Manager relates to the amount payable to the Manager arising from cancellation of units amounting to RM48,995 at the end of the financial period.

The normal credit term for cancellation of units is 7 days and the normal credit term for Manager's fee is 30 days.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 10. NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS

	Note	30.06.2023 RM
Unitholders' capital	(a)	85,939,620
Retained earnings		
- Realised reserve	(b)	1,490,706
- Unrealised loss	(c)	<u>(687,048)</u>
		<u>86,743,278</u>

### (a) Unitholders' capital

	30.06.2023	
	No of units	RM
At beginning of the financial period	-	-
Creation of units	86,255,039	86,255,039
Cancellation of units	<u>(315,243)</u>	<u>(315,419)</u>
At end of the financial period	<u>85,939,796</u>	<u>85,939,620</u>

### (b) Realised reserve

	30.06.2023 RM
At beginning of the financial period	-
Net realised income for the financial period	<u>1,490,706</u>
At end of the financial period	<u>1,490,706</u>

### (c) Unrealised loss

	30.06.2023 RM
At beginning of the financial period	-
Net unrealised loss for the financial period	<u>(687,048)</u>
At end of the financial period	<u>(687,048)</u>

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 11. TRANSACTIONS WITH INVESTMENT BANK/BROKER

Details of transactions with the investment bank/broker during the financial period are as follows:

Name of investment bank/broker	27.04.2022 to 30.06.2023	
	Value of trade RM	Percentage to total value of trade %
Hong Leong Bank Bhd	49,233,220	59.04
RHB Bank Bhd	15,148,648	18.16
CIMB Bank Bhd	13,284,964	15.93
BNP Paribas Issuance B.V	5,730,698	6.87
	<u>83,397,530</u>	<u>100.00</u>

The above transaction do not involve any fees and commission payable to the investment bank/broker.

## 12. TOTAL EXPENSE AND PORTFOLIO TURNOVER RATIOS

### (a) Total Expense Ratio

The total expense ratio for the financial period ended 30 June 2023 was 0.07%. This ratio represents total expenses expressed an annualised percentage of the Fund's average NAV, calculated on a daily basis.

### (b) Portfolio Turnover Ratio

The portfolio turnover ratio for the financial period ended 30 June 2023 was 0.52 times. This ratio represents the average of the total acquisitions and disposals of the Fund for the period over the average NAV of the Fund for the financial period calculated on a daily basis.

## 13. SEGMENT INFORMATION

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

- A portfolio of unquoted structured products and unquoted bonds; and
- A portfolio of unquoted ZNIDs and money market instruments.

The investment objective is to provide potential annual returns over the medium-term of the underlying investment instruments.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 13. SEGMENT INFORMATION (CONTD.)

The segment information is presented below:

<b>Period from 27.04.2022 to 30.06.2023</b>	<b>Unquoted structured products and unquoted bonds RM</b>	<b>Money market instruments RM</b>	<b>Total RM</b>
Interest income	3,013,968	224,262	3,238,230
Net loss on financial assets at FVTPL	(2,385,585)	-	(2,385,585)
Total segment operating income for the financial period	<u>628,383</u>	<u>224,262</u>	<u>852,645</u>

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 13. SEGMENT INFORMATION (CONTD.)

The segment information is presented below: (contd.)

<b>As at 30.06.2023</b>	<b>Unquoted structured products and unquoted bonds RM</b>	<b>Unquoted ZNIDs and money market instruments RM</b>	<b>Total RM</b>
Investments	66,986,974	13,819,800	80,806,774
Deposit with financial institution	-	5,475,918	5,475,918
Interest receivable	501,712	1,639	503,351
Total segment assets	<u>67,488,686</u>	<u>19,297,357</u>	<u>86,786,043</u>
Other liabilities	-	-	-
Total segment liabilities	<u>-</u>	<u>-</u>	<u>-</u>

There was no transaction between operating segments during the financial period.

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 income and operating income:

	<b>27.04.2022 to 30.06.2023 RM</b>
Net reportable segment operating income	852,645
Other non-reportable segment operating income	3,836
Expenses	<u>(52,823)</u>
Net income before tax	803,658
Income tax expense	<u>-</u>
Net income after tax	<u>803,658</u>

In addition, certain assets and liabilities are not considered to be part of the total assets or liabilities of the operating segments. The following table provides a reconciliation between the reportable total segment assets and total segment liabilities and total assets and total liabilities of the Fund:

	<b>30.06.2023 RM</b>
Total segment assets	86,786,043
Cash at bank	22,341
Total assets of the Fund	<u>86,808,384</u>
Amount due to the Manager	48,995
Amount due to Trustee	2,861
Other payables and accruals	13,250
Total liabilities of the Fund	<u>65,106</u>

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 14. FINANCIAL INSTRUMENTS

### (a) Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost based on their respective classification. The significant accounting policies in Note 2.2 describe how the classes of financial instrument are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position as at the end of reporting period by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

As at 30.06.2023	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>Assets</b>				
Investments	80,806,774	-	-	80,806,774
Deposit with financial institution	-	5,475,918	-	5,475,918
Interest receivable	-	503,351	-	503,351
Cash at bank	-	22,341	-	22,341
<b>Total financial assets</b>	<b>80,806,774</b>	<b>6,001,610</b>	<b>-</b>	<b>86,808,384</b>
<b>Liabilities</b>				
Amount due to the Manager	-	-	48,995	48,995
Amount due to Trustee	-	-	2,861	2,861
Other payables and accruals	-	-	13,250	13,250
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>65,106</b>	<b>65,106</b>
<b>Period from 27.04.2022 to 30.06.2023</b>				
<b>Income, expenses, gains and losses</b>				
Interest income	3,013,968	224,262	-	3,238,230
Other income	-	3,836	-	3,836
Net loss on financial assets at FVTPL	(2,385,585)	-	-	(2,385,585)

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 14. FINANCIAL INSTRUMENTS (CONTD.)

### (b) Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value.

#### Unquoted structured products outside Malaysia

For unquoted structured products, the fair value was determined by reference to their Net Present Value (NPV) of nominal amount derived from Monte Carlo Model, at the end of the reporting period obtained from the issuer of the investment.

#### Unquoted Zero-coupon Negotiable Instrument of Deposits ("ZNIDs") in Malaysia

For unquoted Zero-coupon Negotiable Instrument of Deposits ("ZNIDs"), the values were determined by reference to the indicative price obtained from the issuer of the investment.

#### Unquoted bonds in Malaysia

Fair values was determined directly by reference to their marked to market price at the financial position date, quoted by Bond Pricing Agency Malaysia.

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

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts approximate the fair values due to their short term nature:

- Deposit with financial institution
- Interest receivable
- Cash at bank
- Amount due to the Manager
- Amount due to Trustee
- Other payables and accruals

### (d) Fair value hierarchy

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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. 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).

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 14. FINANCIAL INSTRUMENTS (CONTD.)

### (d) Fair value hierarchy (contd.)

Financial assets at FVTPL:	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>As at 30.06.2023</b>				
Unquoted structured products outside Malaysia	-	-	3,269,694	3,269,694
Unquoted bonds in Malaysia	-	63,717,280	-	63,717,280
Unquoted Zero-coupon Negotiable Instrument of Deposit ("ZNID") in Malaysia	-	13,819,800	-	13,819,800
	-	<u>77,537,080</u>	<u>3,269,694</u>	<u>80,806,774</u>

### 14.1 Level 3 fair value

Type	Description of technique and input used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted structured products	The fair value of the unquoted structured products is derived based on the Monte Carlo model.	• Equity correlation	<ul style="list-style-type: none"> <li>• The estimated fair value would increase/(decrease) if the assets correlation were (lower)/higher</li> <li>• The estimated fair value would increase/(decrease) if the asset volatility were higher/(lower)</li> </ul>

### Sensitivity analysis

Management believes that the changing in one or more of the unobservable inputs would not be material. The sensitivity of the fair value measurements to changes in unobservable inputs are therefore not presented.

## 15. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

### (a) Introduction

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



# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 15. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

### (a) Introduction (contd.)

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk), credit risk/counterparty 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 the 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 risks is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risk. Financial risk management is also carried out through sound internal control systems and adherence to the investments restrictions as stipulated in the 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 are ultimately responsible for the overall risk management approach within the Fund.

### (c) Risk measurement and reporting system

Risk monitoring and controlling mechanism are primarily set up and to be performed based on limits established by the Manager and the 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 aggregated risk exposures across all risks type and activities.

### (d) Risk mitigation

The Fund has investment policy 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 deed, the Securities Commission's Guidelines on Unit Trust Funds and the Capital Markets and Services Act 2007.

### (e) Excessive risk concentration

Risk concentration indicates the relative exposure of the Fund's performance to developments affecting a particular industry or geographical location. Concentration of risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their abilities to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of foreign exchange risk may arise if the Fund has a significant net position in a single foreign currency, or aggregate net position in several currencies that tend to move together.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 15. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

### (e) Excessive risk concentration (contd.)

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 deed, investment management'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 all holdings suffering uniformly adverse business conditions. Specifically, the deed and Securities Commission's Guidelines on Unit Trust Funds limit the Fund's exposure to a single entity/industry sector to a certain percentage of its NAV.

### (f) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rate. The maximum risk resulting from financial instruments equals their fair values at the reporting date.

### (i) Interest rate risk

In general, when interest rates rise, prices of unquoted fixed income securities will tend to fall or vice versa. Therefore, the NAV of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund hold an unquoted fixed income security until maturity, such price fluctuations would dissipate as it approaches maturity, and the NAV shall not be affected at maturity.

#### Interest rate risk sensitivity

The table below summarises the sensitivity of the Fund's net income after taxation and NAV to movements in prices of unquoted bonds and ZNID held by the Fund as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate increase and decrease by 1% with all other variables held constant.

	Change in interest rates	Impact on profit after tax/NAV
	%	RM
Financial assets	-1	-702,241
at FVTPL	+1	702,241

The Fund's exposure to interest rate risk associated with deposit with licensed financial institution is not material at FVTPL. Therefore, a change in investment rate at the end of the reporting period would not affect profit or loss.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 15. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

### (f) Market risk (contd.)

#### Interest rate risk exposure

The following table analyses the Fund's interest rate risk exposure.

#### Interest rate risk exposure

The following table analyses the Fund's interest rate risk exposure.

As at 30.06.2023	Interest bearing instruments RM	Non-interest bearing instruments RM	Total RM	WAEIR %
<b>Assets</b>				
Investment	77,537,080	3,269,694	80,806,774	
Deposit with financial institution	5,475,918	-	5,475,918	3.20
Interest receivable	-	503,351	503,351	
Cash at bank	-	22,341	22,341	
Total assets	<u>83,012,998</u>	<u>3,795,386</u>	<u>86,808,384</u>	
<b>Liabilities</b>				
Other liabilities	-	65,106	65,106	
Total liabilities	<u>-</u>	<u>65,106</u>	<u>65,106</u>	
Total interest rate sensitivity gap	<u>83,012,998</u>	<u>3,730,280</u>	<u>86,743,278</u>	

### (g) Credit risk

Credit risk relates to creditworthiness of the issuers of fixed income instruments and its expected ability to make timely payments of interest and/or principal. Investing in non-investment grade and unrated fixed income instruments may result in the Fund being highly exposed to risk of non-payment or untimely payment of interest and/or principal that may cause greater volatility on the Fund's value.

Counterparty risk concerns the Fund's investment in unquoted bonds, unquoted Zero-coupon Negotiable Instrument of Deposits ("ZNIDs") and unquoted structured products. Counterparty risk is prevalent as the potential returns derived from unquoted bonds, unquoted ZNIDs and unquoted structured products are dependent on the ongoing ability and willingness of the issuer i.e. a financial institution to fulfill its financial commitments to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/or in connection with the issuer may impair the operations and/or the performance of the Fund.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 15. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

### (g) Credit risk (contd.)

#### Financial assets that are either past due or impaired

There are no financial assets that are either past due or impaired at the end of the reporting period.

#### Credit risk exposure

As at the end of reporting period, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

#### Credit quality of financial assets

As at 30.06.2023	Rating by RAM/MARC of Malaysia P1/A+/AA2/AAA RM	Unrated RM	Total RM
<b>Credit rating of financial assets at FVTPL</b>			
Financial assets at FVTPL	49,182,050	31,624,724	80,806,774
<b>Short term credit rating of financial assets not at FVTPL</b>			
Deposit with a financial institution	5,475,918	-	5,475,918
Interest receivable	503,351	-	503,351
Cash at bank	22,341	-	22,341
	<u>6,001,610</u>	<u>-</u>	<u>6,001,610</u>

### (h) 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 the risk of cash redemption of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unitholder's option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the 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 pay for redemption of units when required to do so and its overall liquidity risk by requiring a 3-day notice period before redemption.

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 unitholders.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 15. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

### (h) Liquidity risk (contd.)

The following table summarises the maturity profile of the Fund's financial assets and financial liabilities. The table also analyses the maturity profile of the Fund's financial assets against the Fund's contractual commitments to provide an overview of the Fund's liquidity.

<b>As at 30.06.2023</b>	<b>Less than 1 year RM</b>	<b>1-2 years RM</b>	<b>Total RM</b>
<b>Assets</b>			
Investments	1,475,121	79,331,653	80,806,774
Deposit with financial institution	5,475,918	-	5,475,918
Interest receivable	503,351	-	503,351
Cash at bank	22,341	-	22,341
Total undiscounted financial assets	<u>7,476,731</u>	<u>79,331,653</u>	<u>86,808,384</u>
<b>Liabilities</b>			
Other liabilities	65,106	-	65,106
Total undiscounted financial liabilities	<u>65,106</u>	<u>-</u>	<u>65,106</u>
Equity	<u>86,743,278</u>	<u>-</u>	<u>86,743,278</u>
Liquidity gap	<u>(79,331,653)</u>	<u>79,331,653</u>	<u>-</u>

#### Notes:

#### (i) Financial assets

Analysis of financial assets at FVTPL into maturity groupings is based on the expected date on which these assets can be realised. The analysis into maturity grouping is based on the remaining period from the end of the reporting date to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

#### (ii) Financial liabilities

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

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## 15. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

### (h) Liquidity risk (contd.)

#### Notes: (contd.)

#### (iii) Equity

As unitholders can request for redemption on their units by giving the Manager a 3 days notice period, equity is categorised as having a maturity of "Less than 1 year". However, the Fund believes that it will be able to liquidate all its investments should the need arise to satisfy all the redemption requirements of the Fund.

### (i) Structured product risk

This risk arises from investments in a structured product which is structured by a third party. The product is linked to the performance of its underlying investments, hence exposing the Fund to the risk of the underlying investment, for example, investments in a structured product which is linked to the performance of a collective investment scheme, will expose the Fund to the risk of the collective investment scheme. As such, the price of the structured product will be dependent on the price of its underlying, where a drop in the price of the collective investment scheme that the structured product is linked to, will also result in a drop in the price of the structured product. As the structured product is structured by a third party, the Fund will also be exposed to counterparty risk and default risk arising from the third party's inability to meet the agreed terms.

## 16. CAPITAL MANAGEMENT

The primary objective of the Fund's capital management is to ensure that it maximises unitholder's value by expanding its fund size to benefit from economies of scale and achieving growth in NAV from the performance of its investments.

The Fund manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Fund may issue new or bonus units, make distribution payment, or return capital to unitholder by way of redemption of units.

No changes were made in the objectives, policies or processes during the financial period ended 30 June 2023.

## 17. COMPARATIVE FIGURES

The financial statements are for the financial period from 27 April 2022 (date of launch) to 30 June 2023. There are no comparative figures as this is the Fund's first set of financial statements.

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## Corporate Information

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<b>Manager</b>	TA Investment Management Berhad (340588-T)
<b>Registered Office</b>	34th Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur
<b>Board of Directors</b>	En. Mohammed A'reeff Bin Abdul Khalid (Non-Independent / Executive Director) Mr. Choo Swee Kee (Non-Independent / Executive Director) Puan Zainab Binti Ahmad (Non-Independent / Non-Executive Director) Puan Nor Asma Binti Mohamed (Non-Independent / Non-Executive Director) Mr. Chew Chin Guan (Independent / Non-Executive Director) Mr. Ngiam Kee Tong (Independent / Non-Executive Director)
<b>Investment Committee Members</b>	Kaladher A/L Govindan (Non-Independent) Dato' Tay Kian Chuan (Independent) Ngiam Kee Tong (Independent)
<b>Trustee of the Fund</b>	CIMB Commerce Trustee Berhad Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur
<b>Auditor of the Manager and the Fund</b>	KPMG PLT Chartered Accountants Level 10, KPMG Tower 8 First Avenue, Bandar Utama 47800 Petaling Jaya Selangor
<b>Banker</b>	Malayan Banking Bhd Ground Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur
<b>Secretaries</b>	Khoo Poh Kim @ Kimmy (LS0010314)

# TA Rainbow Income Fund 12

(For the financial period ended 30 June 2023)

## Corporate Information (cont'd)

<b>Management Staff</b>	<b>Wong Mien</b> Chief Executive Officer	<b>Tee Ling Ling</b> Chief Marketing Officer
	<b>Ch'ng Soon Kim</b> Compliance Officer	<b>Alicia Khor</b> Head of Operations
<b>Investment Team</b>	<b>Choo Swee Kee</b> Chief Investment Officer	<b>John Ng Jiunn Yuan</b> Head of Fixed Income
	<b>Lam Chee Mun</b> Fund Manager	<b>Wong Shyh Yik</b> Fund Manager
<b>Head Office</b>	23rd Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur	
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Penang Business Centre	15-1-8, Bayan Point Medan Kampung Relau 11900 Pulau Pinang Tel: 04-645 9801   Fax: 04-611 9805
Kota Kinabalu Business Centre	Unit 4-1-02, 1st Floor Block 4, Api-Api Centre Jalan Centre Point 88000 Kota Kinabalu, Sabah Tel: 088-268 023   Fax: 088-248 463
Kuching Business Centre	2nd Floor, Lot 13008, SL26, Block 16 KCLD, Gala City Commercial Centre Jalan Tun Jugah, 93350 Kuching, Sarawak Tel: 082-265 979
Miri Business Centre	Lot 1251, 1st Floor Centrepont Commercial Centre (Phase 1) Jalan Melayu 98000 Miri, Sarawak Tel: 085-430 415
Ipoh Business Centre	29A Jalan Niaga Simee Arena Niaga Simee 31400 Ipoh Perak Tel: 05-350 0399
Johor Bahru Business Centre	37-01, Jalan Molek 1/29 Taman Molek 81100 Johor Bahru Johor Tel: 07-3611 781

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