

# SEMI-ANNUAL REPORT

## TA INCOME FUND

For the 6 months ended  
31 January 2025



**TA INVESTMENT**

AN UNWAVERING COMMITMENT

# TA Income Fund

(For the 6 months ended 31 January 2025)

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# TA Income Fund

(For the 6 months ended 31 January 2025)

## Key Performance Data

	6 months ended 31/01/2025	6 months ended 31/01/2024	6 months ended 31/01/2023
<b>PORTFOLIO COMPOSITION (% OF NAV)</b>			
Consumer Products & Services	3.05	-	5.15
Financial Services	13.71	11.02	16.87
Industrial Products & Services	8.34	19.31	11.04
REITs	-	2.94	1.74
Transportation & Logistics	-	-	2.38
Telecommunication & Media	1.96	-	5.69
Health Care	-	3.91	2.02
Properties	-	-	1.45
Energy	2.72	3.53	1.10
Technology	10.29	7.98	3.44
Utilities	6.50	4.86	3.84
<b>Quoted Shares</b>	<b>46.57</b>	<b>53.55</b>	<b>54.72</b>
Collective Investment Schemes	3.09	-	-
Cash (Net of Liabilities)	50.34	46.45	45.28
<b>Total Investment</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Total Net Asset Value (RM'000)	2,868 #	3,012	5,228
Units In Circulation (Units '000)	8,490	8,403	15,056
Net Asset Value Per Unit (RM)	0.3378 #	0.3584	0.3473
Total Expense Ratio (TER) (%) *	1.21	1.24	1.14
Portfolio Turnover Ratio (PTR) (times) **	0.32	0.90	0.33

# Refer to unaudited account Note 11.

\* The TER for the current financial period has remained consistent with that of the previous financial period.

\*\* The PTR for the current financial period has remained consistent with that of the previous financial period.

### UNIT PRICES

NAV Price Per Unit (RM)	0.3376	0.3584	0.3473
Highest NAV Per Unit for the Period (RM)	0.3647	0.3625	0.3486
Lowest NAV Per Unit for the Period (RM)	0.3342	0.3435	0.3247

### TOTAL RETURN (%)

Capital Return	-7.30	3.73	2.60
Income Return	-	-	-
Total Return of Fund	-7.30	3.73	2.60
Total Return of the Benchmark	-1.98	2.84	0.35
- 60% FTSE Bursa Malaysia KLCI (FBM KLCI) & 40% Maybank 12-Month Fixed Deposit Rate			

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## AVERAGE TOTAL RETURN (%)

	Fund	Benchmark
<b>Period</b>		
1 Year (31/01/2024 - 31/01/2025)	-2.13	2.91
3 Years (31/01/2022 - 31/01/2025)	0.64	1.76
5 Years (31/01/2020 - 31/01/2025)	0.43	1.34

## ANNUAL TOTAL RETURN (%)

	Fund	Benchmark
<b>Period</b>		
31/01/2024 - 31/01/2025	-2.13	2.91
31/01/2023 - 31/01/2024	3.20	2.39
31/01/2022 - 31/01/2023	0.93	0.03
31/01/2021 - 31/01/2022	-0.32	-1.24
31/01/2020 - 31/01/2021	0.56	2.69

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.

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

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

N<sup>1</sup> = NAV on the end of the period

N<sup>2</sup> = 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<sup>3</sup> = Number of periods per year

N<sup>4</sup> = Total number of periods

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

# TA Income Fund

(For the 6 months ended 31 January 2025)

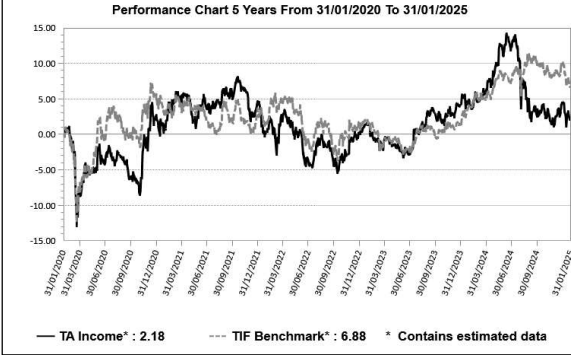
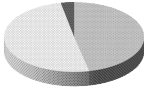
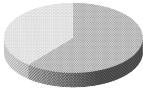
## Manager's Report

### TA Income Fund

<b>Fund Category/Type</b>	Balanced / Income Fund			
<b>Fund Objective</b>	The Fund aims to provide investors with an alternative longer term investment that provides a steady stream of fixed-income and potential capital gains from investment in bonds, money market instruments and equities.			
<b>Performance Benchmark(s)</b>	60% FTSE Bursa Malaysia KLCI (FBM KLCI) and 40% Maybank 12-month fixed deposit.			
<b>Fund's Distribution Policy</b>	The Fund may declare annual/interim distribution (if any) during its financial year.			
<b>Fund's Performance and Investment Strategies Employed</b>	<p>The Fund was managed within its investment objective for the six months financial period ended 31 January 2025.</p> <p>Over the financial period under review, the Fund delivered a total return of -7.30%, underperforming its benchmark which posted a return of -1.98%.</p>			
<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>		<b>31/01/25</b>	<b>31/07/24</b>	<b>% Change</b>
	NAV/unit (RM)	0.3378 ~	0.3644	-7.30
	Total NAV (RM'000)	2,868 ~	2,841	0.95
	~ Refer to unaudited account Note 11.			
		<b>Income Return (%)</b>	<b>Capital Return # (%)</b>	<b>Total Return (%)</b>
	-	-7.30	-7.30	

# TA Income Fund

(For the 6 months ended 31 January 2025)

	# Capital Return components: <ul style="list-style-type: none"><li>❖ Equity</li><li>❖ Fixed income securities</li><li>❖ Cash &amp; cash equivalents</li></ul>	
Performance Chart	<div><p>Performance Chart 5 Years From 31/01/2020 To 31/01/2025</p><p>— TA Income* : 2.18    --- TIF Benchmark* : 6.88    * Contains estimated data</p></div> <p>Source: Lipper Investment Management Past performance is not necessarily indicative of future performance.</p>	
Distribution/Unit Split	None were declared for the financial period under review ended 31 January 2025.	
Asset Allocation	31/01/25	31/07/24
	<div><p>Collective Investment Schemes 3.09%</p><p>Cash and Cash equivalent 50.34%</p><p>Equity 46.57%</p></div> <div><p>Cash and Cash equivalent 38.91%</p><p>Equity 61.09%</p></div> <p>The Fund was primarily invested in Equity (46.57%), Collective Investment Schemes (3.09%), with the remainder in Cash and Cash Equivalents (50.34%).</p>	

# TA Income Fund

(For the 6 months ended 31 January 2025)

Top Investments	Top 5 Investments	
	As at 31/01/25	
		% NAV
	Malayan Banking Berhad	7.88
	Tenaga Nasional Berhad	6.50
	CIMB Group Holdings Berhad	5.83
	MI Technovation Berhad	3.73
	Petronas Chemicals Group Berhad	3.70
	As at 31/07/24	
		% NAV
	Malayan Banking Berhad	7.85
	Tenaga Nasional Berhad	6.79
	CIMB Group Holdings Berhad	5.44
	Dagang Nexchange Berhad	4.92
	Petronas Chemical Group Berhad	4.66

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

# TA Income Fund

(For the 6 months ended 31 January 2025)

## Market Review

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In August 2024, the local bourse had a rough start with the FBM KLCI plunged 4.6% on 5 August 2024 due to unwinding of the Japanese yen (JPY) carry trade and concerns over the United States (US) economy. Nonetheless, it swiftly recovered all the losses within the following few days and picked up towards month end to close at 1,678 points, with a gain of 3.3% month-on-month (MoM). The strong buying interest was driven by foreign inflows, especially in banks. At the same time, foreigners also took profit on the YTLs and selected property names. Foreign investors emerged as the largest and only net buyers in August 2024. The RM2.55 billion foreign inflows in August 2024 was also the highest inflow it has seen since March 2022.

The FBM KLCI declined 1.8% MoM in September 2024 amidst the quarter-end profit-taking as fund flowed to Chinese stocks after the Chinese government announced its aggressive stimulus package. In fact, Chinese stocks recovered immensely in September 2024 with indices from Hong Kong and Shanghai dominating the top three spots among 92 benchmarks around the world as some investors rushed to catch the rally. Nonetheless, foreign investors remained net buyers of the local bourse for the third consecutive month in September 2024 with net buy flows of RM0.5 billion, 80% lower than the net buy flows of RM2.5 billion in August 2024. Meanwhile, local institutional investors stayed net sellers in September 2024 with net sell flows of RM0.1 billion (-61.1% MoM).

The FBM KLCI was in red for the second month in the row, sinking 2.9% MoM in October 2024 and finished the month marginally above the 1,600 psychological level as investors staying sidelines ahead of the US presidential election. Aside this, the local news was also centred around the tabling of the Budget 2025 and as anticipated it was a neutral budget with no new major taxes or mega projects announced. Key corporate development, which dominated the month was the announcement of Public Bank's acquisition of a 44.15% stake in LPI Capital from the estate of the late Tan Sri Teh Hong Piow and Consolidated Teh Holdings Sdn. Bhd. at RM9.80 per share. Overall, foreign funds turned net sellers of RM1.8 billion in October 2024, having been net buyers for the previous three months between July 2024 and September 2024, which was substantially higher than net buy flows of RM0.5 billion in September 2024.

Despite falling 0.5% MoM in November 2024, the FBM KLCI outperformed the MSCI Emerging Market Index (-3.7% MoM) and MSCI All Country Asia ex-Japan (-3.4% MoM); as the election of Donald Trump and fear of tariffs sent jitters to emerging markets. Overall, foreign investors stayed net sellers of Malaysian equities in November 2024, with net sell flows widening 75% MoM to RM3.1 billion, which is the highest level of monthly net sell flows in 2024 year to date. Meanwhile, local institutional investors stayed net buyers in November 2024, with net buy flows of RM3.4 billion taking up the net sell flows of foreign investors, local retail investors and local nominees.

Despite December 2024 being a rather quiet month, the local bourse managed to record a gain of 3.0% MoM. In fact, both YTL Power (+30.0% MoM) and YTL Corp (+28.4% MoM) as well as Petronas Chemical (+10.9% MoM) helped to lift the FBM KLCI in December 2024. Aside this, December 2024 was a good month for the technology sector, which gained 11.1% MoM, rebounded strongly after five consecutive months of declines. Overall,



# TA Income Fund

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foreign investors remained net sellers in December 2024 for the third consecutive month with net sell flows falling 6.8% MoM to RM2.9 billion. Meanwhile, local institutions continued to be net buyers of Malaysian equities for the third consecutive month, with net buy flows increasing 19.6% MoM to RM4.6 billion in December 2024, supporting the net sells flows of foreign investors, local investors and local nominees.

In January 2025, it was the worst start to a year since 1995 with the FBM KLCI down 5.2% MoM as global markets including the local bourse reacted negatively on the Biden administration's Artificial Intelligence (AI) export control and the launch of Chinese AI chatbot DeepSeek, which operates with lower funding, computing power and energy consumption than its US rivals. The FBM KLCI's drop was driven by persistent selling by foreign funds that remained net sellers of Malaysian equities for the fourth consecutive month in January 2025 with new sell flows increasing 10.4% MoM to RM3.1 billion. Most of the selling was concentrated in the utilities and property sectors that accounted for 35% of the total net outflows in January 2025. Meanwhile, local institutional funds remained net buyers in January 2025 for the fourth consecutive month with net buy of RM1.2 billion.

*(Source: TA Investment Management Berhad, as of 31 January 2025)*

## Market Outlook And Investment Strategy

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Explosive volatility is probably the baseline expectation for the year 2025 with President Donald Trump as the key factor affecting the market sentiments. During the first few weeks of the year, we already saw significant market surprises and reversals and we are expecting more to come. Hence, this is posing fund managers with diverse challenges as there are many unpredictable "protectionist/de-globalisation/imperialistic" policies set by the US government. As such, we are expecting more headwinds ahead as we navigate for investment opportunities.

In order to counter such uncertainties, we intend to weed out the short-term noises and invest based on longer-term fundamentals. A balanced portfolio with stable big market capitalisation stocks with consistent dividends, should help in reducing specific volatility and to provide some decent returns. Overall, we will continue to monitor for key announcements on the market, the economy and the government policies for quick trading opportunities.

The market situation in Malaysia remains fluid and hence, we can still find comfort that the Association of Southeast Asian Nations (ASEAN) countries including Malaysia will not be Trump's priority or focus during his first year's tenure. Malaysia's gross domestic product forecast growth of 4.5% to 5% for year 2025 is still intact, driven by our country's focus in renewable energy, data centres and technology support services. We remain hopeful that these sectors will not be affected by any targeted policies from the US that will eventually restricting our growth. Overall, we remain positive on the Malaysia market.

*(Source: TA Investment Management Berhad, as of 31 January 2025)*

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 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 the 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 Income Fund

(For the 6 months ended 31 January 2025)

## TRUSTEE'S REPORT

### TO THE UNIT HOLDERS OF TA INCOME FUND ("FUND")

We, **UNIVERSAL TRUSTEE (MALAYSIA) BERHAD ("the Trustee")**, being the Trustee of **TA INCOME FUND ("the Fund")**, are of the opinion that **TA INVESTMENT MANAGEMENT BERHAD ("the Manager")**, acting in the capacity as Manager of the Fund, has fulfilled its duties in the following manner for the financial period ended 31 January 2025.

In our opinion:

- (a) The Fund has been managed in accordance with the limitations imposed on the investment powers of the Manager under the deed, other provisions of the deed, the Securities Commission's Guidelines on Unit Trust Funds in Malaysia, the Capital Markets and Services Act 2007 and other applicable laws during the financial period ended 31 January 2025;
- (b) Valuation and pricing of the Fund are carried out in accordance with the deed and relevant regulatory requirements; and
- (c) Creation and cancellation of units have been carried out in accordance with the deed and relevant regulatory requirements.

For and on behalf of the Trustee

**UNIVERSAL TRUSTEE (MALAYSIA) BERHAD**

**AHMAD MAHADI LOURDSAMY BIN ABDULLAH**

Assistant Manager

Kuala Lumpur, Malaysia

21 March 2025

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 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 unaudited financial statements set out on page 12 to 26, are drawn up so as to give a true and fair view of the financial position of TA INCOME FUND as at 31 January 2025 and of its unaudited financial performance and unaudited 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  
21 March 2025

MOHAMMED A'REEFF BIN  
ABDUL KHALID

# TA Income Fund

(For the 6 months ended 31 January 2025)

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2025

		01.08.2024 to 31.01.2025 RM	01.08.2023 to 31.01.2024 RM
	Note		
<b>(LOSS)/INCOME</b>			
Dividend income		30,057	25,202
Interest income		21,444	25,937
Net (loss)/gain on:			
- financial assets at fair value through profit or loss ("FVTPL")	7	(214,355)	117,331
		<u>(162,854)</u>	<u>168,470</u>
<b>EXPENSES</b>			
Manager's fee	4	20,640	23,821
Trustee's fee	5	1,101	1,271
Auditors' remuneration		5,100	5,100
Tax agent's fee		2,250	1,620
Investment committee's remuneration		3,600	3,600
Brokerage and other transaction fees		8,858	10,772
Administrative fees and expenses		469	3,553
		<u>42,018</u>	<u>49,737</u>
Net (loss)/income before tax		(204,872)	118,733
Less: Income tax expense	6	(380)	(222)
Net (loss)/income after tax, representing total comprehensive (loss)/income for the financial period		<u>(205,252)</u>	<u>118,511</u>
Net (loss)/income after tax is made up of the following:			
Net realised (loss)/income		(83,611)	48,011
Net unrealised (loss)/income		(121,641)	70,500
		<u>(205,252)</u>	<u>118,511</u>

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

# TA Income Fund

(For the 6 months ended 31 January 2025)

## UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2025

	Note	31.01.2025 RM	31.07.2024 RM
<b>ASSETS</b>			
Investments	7	1,422,930	1,733,513
Deposits with financial institutions	8	1,267,762	1,252,470
Interest receivable		3,415	23,294
Dividend receivable		-	1,056
Tax Recoverable		326	326
Amount due from stockbroker		-	14,967
Amount due from the Manager		172,567	6,881
Cash at banks		27,485	29,127
<b>TOTAL ASSETS</b>		<u>2,894,485</u>	<u>3,061,634</u>
<b>LIABILITIES</b>			
Amount due to the Manager	9	3,539	4,317
Amount due to Trustee		188	230
Amount due to stockbroker		-	93,365
Distribution payable		-	109,144
Other payables and accruals		24,250	16,900
<b>TOTAL LIABILITIES</b>		<u>27,977</u>	<u>223,956</u>
<b>NET ASSET VALUE</b>			
Unitholders' capital	10(a)	3,372,675	3,138,593
Accumulated loss	10(b),(c)	(506,167)	(300,915)
<b>NET ASSET VALUE</b>			
<b>ATTRIBUTABLE TO UNITHOLDERS</b>		<u>2,866,508</u>	<u>2,837,678</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>2,894,485</u>	<u>3,061,634</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	10(a)	<u>8,490,011</u>	<u>7,795,977</u>
<b>NAV PER UNIT</b>	11	<u>0.3376</u>	<u>0.3640</u>

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

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(For the 6 months ended 31 January 2025)

## UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2025

	Unitholders' capital Note 10(a) RM	Accumulated losses Note 10(b) and (c) RM	Total NAV RM
At 1 August 2023	3,606,140	(483,991)	3,554,130
Total comprehensive income for the period	-	118,511	100,070
Creation of units	1,237,513	-	4,183,352
Cancellation of units	(1,472,353)	-	(2,618,861)
At 31 January 2024	<u>3,371,300</u>	<u>(365,480)</u>	<u>5,218,691</u>
At 1 August 2024	3,138,593	(300,915)	2,837,678
Total comprehensive loss for the period	-	(205,252)	(205,252)
Creation of units	663,792	-	663,792
Reinvestment of units	99,699	-	99,699
Cancellation of units	(529,409)	-	(529,409)
At 31 January 2025	<u>3,372,675</u>	<u>(506,167)</u>	<u>2,866,508</u>

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

# TA Income Fund

(For the 6 months ended 31 January 2025)

## UNAUDITED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2025

	01.08.2024 to 31.01.2025 RM	01.08.2023 to 31.01.2024 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sales of investments	914,960	1,267,168
Purchases of investments	(897,131)	(975,468)
Placement of deposits with maturity of more than 3 months	31,470	73,876
Dividend received	31,113	24,955
Interest received	41,323	49,629
Manager's fee paid	(21,418)	(35,679)
Trustee's fee paid	(1,143)	(1,275)
Payments for other fees and expenses	(12,927)	(25,925)
Tax paid	(380)	(223)
Net cash generated from operating and investing activities	<u>85,867</u>	<u>377,058</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	597,805	1,237,612
Cash paid on units cancelled	(529,409)	(1,472,353)
Cash distribution paid	(109,144)	-
Net cash used in financing activities	<u>(40,748)</u>	<u>(234,741)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	45,119	142,316
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<u>229,155</u>	<u>211,981</u>
	<u>274,274</u>	<u>354,297</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash at banks	27,485	26,684
Deposits with financial institutions	246,789	327,613
Cash and cash equivalents	<u>274,274</u>	<u>354,297</u>

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



# TA Income Fund

(For the 6 months ended 31 January 2025)

## NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2025

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

TA Income Fund ("the Fund") was constituted pursuant to the execution of a Deed of Trust ("the Deed") dated 14 March 2002 between the Manager, TA Investment Management Berhad, the Trustee, Universal Trustee (Malaysia) Berhad and the registered holders of the Fund.

The principal activity of the Fund is to invest in "Authorised Investments" as defined under Clause 1 of the deed, which include stocks and shares of companies quoted on Bursa Malaysia Securities Berhad ("Bursa Malaysia") and other approved stock exchanges, unquoted fixed income securities, derivatives instruments and short term money market investments. The Fund commenced operations on 6 May 2002 and will continue its operations until terminated by the Trustee as provided under Clause 23 of the deed.

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. Its 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 21 March 2025.

### 2. BASIS OF PREPARATION

#### (a) Statement of Compliance

The financial statements of the Fund have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), collectively known as the "Standards" and the Guidelines of Unit Trust Funds.

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

#### ***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 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 2. BASIS OF PREPARATION (CONTD.)

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

#### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*

#### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

#### ***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 August 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.
- from the annual period beginning on 1 August 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- From the annual period beginning on 1 August 2026 for those amendments that are effective for annual periods beginning on or after 1 January 2026, except for amendments to MFRS 1 and MFRS 10 which are not applicable to the Fund.
- From the annual period beginning on 1 August 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027, except for MFRS 19 which is not applicable to the Fund.

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.

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 2. BASIS OF PREPARATION (CONTD.)

### (b) Basis of measurement

The financial statements of the Fund have been prepared on the historical cost basis except for financial assets at fair value through profit or loss ("FVTPL") which are measured at their fair value.

### (c) Functional and presentation currency

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

### (d) 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.

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. MATERIAL ACCOUNTING POLICIES

The Fund adopted amendments to MFRS 101, Presentation of Financial Statements and MFRS Practice statement 2 - Disclosures of Accounting Policies from 1 January 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Fund's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements when relevant.

## 4. MANAGER'S FEE

The Manager's fee is computed on a daily basis at 1.5% (2024: 1.5%) per annum of the NAV of the Fund, as agreed by the Trustee and the Manager.

## 5. TRUSTEE'S FEE

Trustee's fee is computed on a daily basis at 0.08% (2024: 0.08%) per annum of the NAV of the Fund.

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 6. INCOME TAX EXPENSE

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial period. Dividends, interest and other income derived from sources outside Malaysia are exempted from Malaysian income tax. However, such income may be subject to tax in the country from which they were derived.

The taxation charge for the financial period is on taxable dividend income derived from countries, calculated at the rate prevailing in these countries. In accordance with Schedule 6 of the Income Tax Act 1967, interest income earned by the Fund is exempted from Malaysian tax.

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

	<b>01.08.2024 to 31.01.2025 RM</b>	<b>01.08.2023 to 31.01.2024 RM</b>
Net (loss)/income before tax	(204,872)	118,733
Taxation at Malaysian statutory rate of 24%	(49,170)	28,496
Effects of tax withheld on income from other countries	(531)	(311)
Effects of interest and other income not subject to tax	(11,449)	(39,900)
Effects of expenses not deductible for tax purposes	55,352	4,996
Restriction on tax deductible expenses for unit trust funds	6,178	6,941
Income tax expense for the financial period	380	222

## 7. INVESTMENTS

	<b>31.01.2025 RM</b>	<b>31.07.2024 RM</b>
Financial assets at FVTPL:		
Quoted equity securities in Malaysia	1,334,430	1,643,013
Quoted collective investment scheme in Malaysia	88,500	89,500
	1,422,930	1,823,013
	<b>31.01.2025 RM</b>	<b>31.07.2024 RM</b>
Net (loss)/gain on financial assets at FVTPL comprises:		
Net realised (loss)/gain on disposals	(92,714)	124,662
Net unrealised (loss)/gain on changes in fair value	(121,641)	175,849
	(214,355)	300,511

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 7. INVESTMENTS (CONTD.)

Financial assets at FVTPL as at 31 January 2025 are as detailed belows:

### (a) Quoted equity securities in Malaysia

Name of Counter	Quantity Unit	Cost RM	Fair Value RM	% of NAV %
<b><i>Consumer Products &amp; Services</i></b>				
MSM Malaysia Holdings Bhd	74,100	121,050	87,438	3.05
<b><i>Energy</i></b>				
Dialog Group Bhd	41,000	79,260	77,900	2.72
<b><i>Financial Services</i></b>				
CIMB Group Holdings Bhd	20,822	125,152	166,992	5.83
Malayan Banking Bhd	21,845	187,996	225,877	7.88
	42,667	313,148	392,869	13.71
<b><i>Industrial Products &amp; Services</i></b>				
Petronas Chemicals Group Bhd	22,800	167,887	106,020	3.70
QES Group Bhd	100,000	54,000	51,000	1.78
V.S.Industry Bhd	78,000	83,460	81,900	2.86
	200,800	305,347	238,920	8.34
<b><i>Technology</i></b>				
Inari Amertron Bhd	29,300	93,438	74,129	2.59
Malaysian Pacific Industries Bhd	3,200	92,726	71,104	2.48
MI Technovation Bhd	49,000	121,950	106,820	3.73
Vitrox Corporation Bhd	11,000	44,784	42,680	1.49
	92,500	352,898	294,733	10.29
<b><i>Telecommunications &amp; Media</i></b>				
CelcomDigi Bhd	15,000	57,228	56,250	1.96
<b><i>Utilities</i></b>				
Tenaga Nasional Bhd	13,700	167,821	186,320	6.50
<b>Total Quoted Equity Securities in Malaysia</b>	<b>479,767</b>	<b>1,396,752</b>	<b>1,334,430</b>	<b>46.57</b>

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 7. INVESTMENTS (CONTD.)

### (b) Collective investment schemes in Malaysia

Name of Counter	Quantity Unit	Cost RM	Fair Value RM	% of NAV %
KIP REIT	100,000	83,500	88,500	3.09
<b>Total Collective Investment Schemes in Malaysia</b>	100,000	83,500	88,500	3.09
<b>TOTAL FINANCIAL ASSETS AT FVTPL</b>	579,767	1,480,252	1,422,930	49.66
<b>EXCESS OF COST OVER FAIR VALUE</b>			<b>57,322</b>	

## 8. DEPOSITS WITH FINANCIAL INSTITUTIONS

	31.01.2025 RM	31.07.2024 RM
These are placements with:		
- Licensed bank	767,762	702,470
- Licensed investment bank	500,000	550,000
Total deposit with financial institutions	1,267,762	1,252,470
Less: Deposit with maturity of more than 3 months	(1,020,973)	(1,052,443)
Deposit included in cash and cash equivalents	246,789	200,027

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

	WAEIR (% p.a.)		Average Remaining Maturity (Days)	
	31.01.2025	31.07.2024	31.01.2025	31.07.2024
Deposits with maturity of:				
- within 3 months	2.90	2.90	3	1
- more than 3 months	3.78	3.78	334	153

## 9. AMOUNT DUE FROM/(TO) THE MANAGER

Amount due from/(to) the Manager relate to amounts payable from/(to) the Manager arising from creation/cancellation of units and accruals for Manager's fee at the end of the financial period. The normal credit term for creation/cancellation of units is 7 days (2024: 10 days) and the normal credit term for Manager's fee is 30 days (2024: 30 days).

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 10. NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS

	Note	31.01.2025 RM	31.07.2024 RM
Unitholders' capital	(a)	3,372,675	3,138,593
Retained earnings			
- Realised loss	(b)	(439,583)	(355,972)
- Unrealised loss	(c)	(66,584)	55,057
		<u>2,866,508</u>	<u>2,837,678</u>

### (a) Unitholders' capital

	31.01.2025		31.07.2024	
	No of units	RM	No of units	RM
At beginning of the financial period/year	7,795,977	3,138,593	9,063,193	3,606,140
Creation of units	1,951,336	663,792	6,756,361	2,481,665
Reinvestment of units	273,372	99,699	-	-
Cancellation of units	<u>(1,530,674)</u>	<u>(529,409)</u>	<u>(8,023,577)</u>	<u>(2,949,212)</u>
At end of the financial period/year	<u>8,490,011</u>	<u>3,372,675</u>	<u>7,795,977</u>	<u>3,138,593</u>

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.

### (b) Realised loss

	31.01.2025 RM	31.07.2024 RM
At beginning of the financial period/year	(355,972)	(363,199)
Net realised (loss)/gain for the financial period/year	(83,611)	116,371
Distribution out of realised reserve	-	(109,144)
Net (decrease)/increase in realised retained earnings for the financial period/year	<u>(83,611)</u>	<u>7,227</u>
At end of the financial period/year	<u>(439,583)</u>	<u>(355,972)</u>

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 Income Fund

(For the 6 months ended 31 January 2025)

## 10. NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS (CONTD.)

### (c) Unrealised loss

	31.01.2025 RM	31.07.2024 RM
At beginning of the financial period/year	55,057	(120,792)
Net unrealised (loss)/income for the financial period/year	(121,641)	175,849
At end of the financial period/year	<u>(66,584)</u>	<u>55,057</u>

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

## 11. NAV PER UNIT

The quoted financial assets have been valued at the bid prices at the close of business. In accordance with the deed, quoted financial assets are stated at the last done market price in the calculation of NAV attributable to unitholders per unit for the issuance and redemption of units.

A reconciliation of NAV attributable to unitholders for the purpose of issuance/redemption of units at end of reporting period and the NAV attributable to unitholders as disclosed in the financial statements is as follows:

	31.01.2025		31.07.2024	
	RM	RM/Unit	RM	RM/Unit
NAV attributable to unitholders for issuance/redemption of units	2,868,229	0.3378	2,840,712	0.3644
Effect from adopting bid prices as fair value	<u>(1,721)</u>	<u>(0.0002)</u>	<u>(3,034)</u>	<u>(0.0004)</u>
NAV attributable to unitholders as disclosed in the financial statements	<u>2,866,508</u>	<u>0.3376</u>	<u>2,837,678</u>	<u>0.3640</u>



# TA Income Fund

(For the 6 months ended 31 January 2025)

## 12. TRANSACTIONS WITH INVESTMENT BANKS/BROKERS

Details of the transactions with investment banks/brokers during the financial period are as follows:

Name of investment banks/brokers	Value of trade RM	Percentage to total value of trade %	Brokerage fees and commission RM	Percentage to total brokerage fees and commission %
TA Securities Holdings Bhd*	1,428,105	82.37	6,893	77.81
Public Investment Bank Bhd	181,520	10.47	873	9.85
Maybank Investment Bank Bhd	124,068	7.16	1,093	12.34
	<u>1,733,693</u>	<u>100.00</u>	<u>8,859</u>	<u>100.00</u>

\* Immediate holding company to the Manager.

## 13. TOTAL EXPENSE AND PORTFOLIO TURNOVER RATIOS

### (a) Total Expense Ratio

The total expense ratio for the financial period ended 31 January 2025 is 1.21% (2024: 1.24%). This ratio represents total expenses expressed as an annualised percentage of the Fund's average NAV, calculated on a daily basis. Brokerage and other transaction fees on financial assets at FVTPL are trading related and are not classified as total expenses.

### (b) Portfolio Turnover Ratio

The portfolio turnover ratio for the financial period ended 31 January 2025 is 0.32 times (2024: 0.36 times). This ratio represents the average of the total acquisitions and disposals of the Fund for the financial period over the average NAV of the Fund for the financial period calculated on a daily basis.

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 14. 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 Guidelines of the Fund. The Fund is managed by two segments:

- A portfolio of quoted equity securities; and
- A portfolio of money market instruments.

The investment objective is to achieve steady capital appreciation by investing in instruments with the potential of substantial value appreciation over the medium to long term period. There have been no changes in reportable segments in the current financial period.

## 15. FINANCIAL RISKS AND MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of financial risks, which include market risk, single issuer risk, interest rate risk, credit risk, liquidity risk and currency risk. The overall financial risk management objective of the Fund is to mitigate capital losses, ensure preservation of value and minimal erosion of capital.

Risk management is carried out through strict adherence to the Manager's internal policies and control procedures and also to the powers and restrictions vested by the regulators as contained in the Securities Commission's Guidelines on Unit Trust Funds ("the Guidelines").

### (a) Market Risk

Market risk arises when the value of securities fluctuate in response to the activities of individual companies, and general market or economic conditions. The market risk is managed through portfolio diversification and asset allocation whereby the securities exposure will be reduced in the event of anticipated market conditions.

### (b) Single Issuer Risk

The Fund is restricted to invest in securities issued by any issuer of not more than a certain percentage of its NAV. Under such restriction, the exposure to the securities of any single issuer is mitigated.

### (c) Credit Risk

Credit risk refers to the ability of issuers and counterparties to honour obligations to make timely payments on interest and principal and proceeds from realisation of investments. This is managed by the internal policy of setting a ceiling or limit to the exposure and also the constant process of credit evaluation to mitigate such risks to an acceptable level.

# TA Income Fund

(For the 6 months ended 31 January 2025)

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

### (d) Interest Rate Risk

The risk refers to the exposure of the Fund's assets to movements in interest rates. In this regards, the Fund's exposure to the interest rate risk is mainly confined to deposits placement with financial institutions.

Interest rate is a general economic indicator that will have an impact on the management of the Fund regardless of whether it is a based fund or otherwise. The reason for this is because a high level of interest rates will inevitably effect corporate profits and this will have an impact on the value of equity and the demand for fixed income securities.

### (e) Liquidity Risk

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by unitholders. Liquid assets comprise cash, deposits with financial institution and other instruments, which are capable of being converted into cash within 7 business days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce the liquidity risk.

### (f) Currency Risk

As the investments of the Fund may be denominated in foreign currencies, fluctuations of the exchange rates of foreign currencies against the Malaysia Ringgit may affect the value of the units of the Fund. To mitigate this risk, the Manager may from time to time employ currency hedging techniques to manage the impact of the exchange rate fluctuations on the Fund and/or for the purpose of efficient portfolio management.

## 16. COMPARATIVE FIGURES

The current period's figures and comparative figures are presented as follows:

- The Statement of Fund Financial Position and its relevant notes are as at 31 January 2025 and 31 July 2024, respectively.
- The Statement of Comprehensive Income, Statement of Changes in Net Asset Value ("NAV") and Statement of Cash Flows and its relevant notes are for the period from 1 August 2024 to 31 January 2025 and 1 August 2023 to 31 January 2024, respectively.

## 17. UNAUDITED ACCOUNT

The financial accounts for the six months ended 31 January 2025 are unaudited.

# TA Income Fund

(For the 6 months ended 31 January 2025)

## 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>	Universal Trustee (Malaysia) Bhd No. 1, Jalan Ampang (3rd Floor) 50450 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 Income Fund

(For the 6 months ended 31 January 2025)

## Corporate Information (cont'd)

<b>Management Staff</b>	<b>Tee Ling Ling</b> Chief Executive Officer	<b>Ch'ng Soon Kim</b> Compliance Officer
	<b>Joey Pang Ching Yi</b> Chief Marketing Officer	<b>Alicia Khor</b> Head of Operations
	<b>Sammi Lim Shuey Shya</b> Head of Product Research & Development	<b>Lee Shi Chuan</b> Head of IUTA
	<b>Ranizaz Bin Mohd Razali</b> Head of Agency	<b>Rachel Lew Yen Peng</b> Head of Corporate & Institutional Business
	<b>Lucy Magdalene Lourdes</b> Head of Customer Service	<b>Nor Yuhana Binti Mohd Kamal</b> Head of Marketing
<b>Investment Team</b>	<b>Choo Swee Kee</b> Chief Investment Officer	<b>John Ng Jiunn Yuan</b> Head of Fixed Income
	<b>Vivien Loh Jee Wae</b> Assistant Vice President	<b>Mohammad Hafiz Bin Mahmud</b> Fund Manager
	<b>Lam Chee Mun</b> Fund Manager	
<b>Head Office</b>	23rd Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur	
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Melaka Business Centre	57A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06-2882 687
Penang Business Centre	15-1-8, Bayan Point Medan Kampung Relau 11900 Pulau Pinang Tel: 04-6459 801   Fax: 04-6119 805
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: 05-5455 222
Johor Bahru Business Centre	37-01, Jalan Molek 1/29 Taman Molek 81100 Johor Bahru Johor Tel: 07-3611 781