

Hong Leong Greater China Fund

(formerly known as Hong Leong Hong Kong Equity Optimizer Fund)

Semi-Annual Report

Financial Period Ended 30 September 2024

2024

Unaudited



HONG LEONG GREATER CHINA FUND
*(FORMERLY KNOWN AS HONG LEONG HONG KONG EQUITY
OPTIMIZER FUND)*

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Manager's Review and Report

I. FUND INFORMATION

Fund Name

Hong Leong Greater China Fund ("HLGCF" or "the Fund")
(formerly known as Hong Leong Hong Kong Equity Optimizer Fund)

Fund Category

Equity

Fund Type

Growth and Income

Investment Objective

The Fund seeks to achieve medium to long-term capital growth and income* by investing in a portfolio of investments comprising equities, equity-related securities and fixed income instruments primarily in the Hong Kong market.

Duration of the Fund and its termination date, where applicable

Not Applicable

Benchmark

Hang Seng Index (HSI)

Distribution Policy

Depending on the availability of distributable income** and performance of the Fund, distribution (if any) will be on an annual basis.

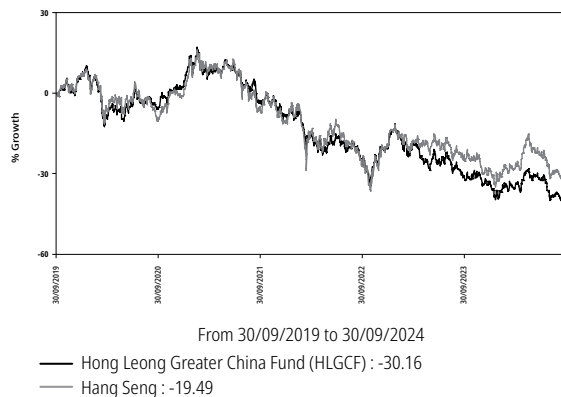
Notes:

* The Fund's main focus is on capital growth and to a lesser extent, income. Income may be distributed in the form of cash and/or Units.

** Income may be distributed in the form of cash and/or additional Units.

II. FUND PERFORMANCE

Chart 1: Performance of the Fund versus the benchmark covering the last five-year financial periods



Source: Lipper for Investment Management, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLGCF reinvested.

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

Performance Review

This Semi-Annual Report covers the six-month financial period from 1 April 2024 to 30 September 2024.

The Fund posted a return of 8.57% (based on NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from the Fund reinvested) in the past six months while its benchmark the Hang Seng Index (HSI) registered a return of 12.15% (in Malaysian Ringgit terms).

For the five-year financial periods ended 30 September 2024, the Fund registered a return of -30.16% compared to the benchmark's return of -19.49% while distributing a total gross income of 8.8760 sen per unit (net income of 8.8760 sen per unit).

Table 1: Performance of the Fund for the following periods as at 30 September 2024 (Source: Lipper for Investment Management)

	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Since Launch
HLGCF Return (%)	3.13	8.57	0.94	-28.04	-30.16	-17.29	-9.05
Benchmark (%)	4.79	12.15	5.08	-15.11	-19.49	15.80	47.39

Table 2: Return of the Fund based on NAV Per Unit-to-NAV Per Unit basis for the period 31 March 2024 to 30 September 2024 (Source: Lipper for Investment Management)

	30-Sep-24	31-Mar-24	Return (%)
NAV Per Unit	RM0.2040	RM0.1879*	8.57
Benchmark	11,219.12	10,003.32	12.15
vs Benchmark (%)			-3.58

* Based on the NAV Per Unit on 29 March 2024 as the above-mentioned reporting date fell on a non-business day.

Table 3: Financial Highlights

The Net Asset Value attributable to Unit holders is represented by:

	30-Sep-24 (RM)	31-Mar-24 (RM)	Change (%)
Unit Holders' Capital	9,519,566	10,266,537	(7.28)
Accumulated Loss	(1,370,141)	(1,954,803)	29.91
Net Asset Value	8,149,425	8,311,734	(1.95)
Units in Circulation	39,940,340	43,791,189	(8.79)

Table 4: The Highest and Lowest NAV Per Unit, Total Return of the Fund and the breakdown into Capital Growth and Income Distribution for the financial period ended 30 September and financial years ended 31 March

	Financial Period Sep 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Highest NAV Per Unit (RM)	0.2099	0.2386	0.2697	0.3861
Lowest NAV Per Unit (RM)	0.1749	0.1757	0.1912	0.2486
Capital Growth (%)	8.57	-20.78	-10.86	-27.77
Income Distribution (%)	-	-	7.52	6.13
Total Return (%)	8.57	-20.78	-3.34	-21.64

Source: Lipper for Investment Management, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLGCF reinvested.

Table 5: Average Total Return of the Fund for the financial period ended 30 September 2024

	1 Year	3 Years	5 Years
Average Total Return (%)	0.94	-9.35	-6.03

Source: Lipper for Investment Management, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLGCF reinvested.

Table 6: Annual Total Return of the Fund for the financial years ended 31 March

Financial Year	2024	2023	2022	2021	2020
Annual Total Return (%)	-20.78	-3.34	-21.64	17.03	-14.05

Source: Lipper for Investment Management, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLGCF reinvested.

III. INVESTMENT PORTFOLIO

Chart 2: Asset Allocation – April 2024 to September 2024

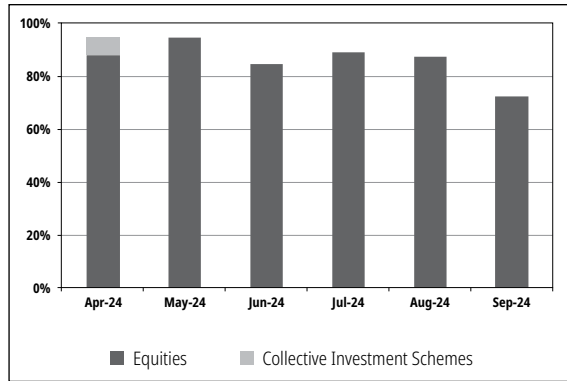


Chart 3: Sector Allocation as at 30 September 2024

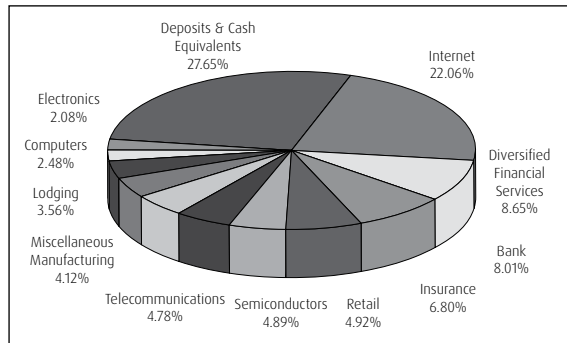
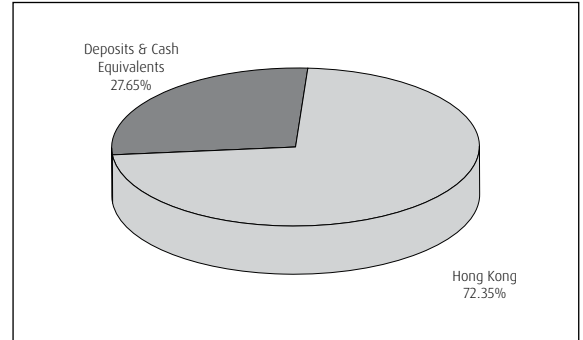


Chart 4: Geographical Allocation as at 30 September 2024



Strategies employed by the Fund during the period under review

During the financial period under review, the Fund was mainly invested in sectors such as internet, financial and consumers related sectors while keeping an underweight in real estate and commodities sectors.

An explanation on the differences in portfolio composition

During the financial period under review, the Fund exited the position in selected semiconductor sectors after a strong rally in the third quarter of 2024 and raised the cash position in the month of September 2024 to gradual lock in the gains in selective counters.

Operational review of the Fund

The 3rd Supplemental Hong Leong Master Prospectus dated 19 August 2024 was issued during the financial period under review to reflect various changes made to the Fund. Kindly refer to www.hlam.com.my for the full list of changes made to the Fund.

IV. MARKET REVIEW

In the third quarter of 2024, the Chinese National Bureau of Statistics (NBS) reported year-over-year (YoY) real Gross Domestic Product (GDP) growth of 4.6%, a slight decrease from 4.7% in the prior quarter. The ongoing deceleration in growth, coupled with a GDP deflator that remained below zero at -0.71% YoY for the sixth consecutive quarter since the second quarter of 2023, underscores persistent deflationary risks. These factors signal an urgent need for more robust policy actions to bolster consumer and business confidence.

Despite the subdued quarterly figures, monthly economic activity showed moderate improvement in September, likely due to the broader implementation of stimulus measures. Retail sales growth rebounded to 3.2% in September (up from 2.1% in August), driven primarily by increased sales of household appliances (20.5% YoY in September vs. 3.4% YoY in August) and automobiles (0.4% YoY in September vs. -7.3% YoY in August). According to the Ministry of Commerce, Chinese Yuan (CNY) 13.17 billion in subsidies had been issued under the appliance trade-in scheme by mid-October, generating CNY 69.09 billion in total sales. Applications for automobile replacement subsidies also surged, with over 1.13 million submitted between 1 September - 25 September, compared to 0.33 million in August.

On the investment side, subsidies aimed at supporting industrial equipment upgrades may have strengthened manufacturing fixed asset investment, which rose 9.2% YoY from January to September, up from 9.1% YoY through August. Infrastructure investment also remained resilient, with a 9.3% YoY increase over the first nine months of 2024.

Industrial production grew by 5.4% YoY in September (up from 4.5% in August), supported by strong expansion in high-tech sectors. Exports of electric vehicles, green technology products, and capital goods continued to drive domestic manufacturing, though rising trade barriers may create challenges for Chinese exports.

The real estate sector remains a primary area of concern. Housing prices in both primary and secondary markets fell sharply in September, down 6.1% and 9.0%, respectively, from a year earlier. Developers continue to face significant financing pressures, with new residential property sales declining 24% YoY over the past nine months. While recent policy easing provided a boost to sales during the October holiday period, confidence among prospective homebuyers remains low.

Faced with mounting risks of a prolonged deflationary cycle, Chinese policymakers adopted a notably proactive stance in late September, rolling out a series of stimulus measures across multiple areas. The initial focus was on stabilizing asset prices in the stock and real estate markets. On 24 September, the People's Bank of China (PBoC), alongside other financial regulators, announced a combination of Reserve Requirement Ratio (RRR) cuts, Medium-Term Lending Facility (MLF) rate cuts and liquidity schemes to support the stock market. Additionally, mortgage rates for existing loans were reduced by an average of 50 basis points (bps) to 3.35%, potentially saving households CNY 150 billion in interest expenses. The central bank's "whatever it takes" approach demonstrated its commitment to managing expectations, leading to a broad-based rally in both onshore and offshore markets.

V. FUTURE PROSPECTS AND PROPOSED STRATEGIES

The latest economic data has reinforced perceptions of downside risks, increasing market expectations for further stimulus measures. With the Chinese political calendar in mind, detailed plans from the Standing Committee of the National People's Congress (NPC) may emerge in late October or early November. Additionally, the upcoming United States (US) elections could introduce more uncertainty, prompting Chinese policymakers to adjust their stimulus plans accordingly. Following the recent market rebound, stock valuations have returned to levels consistent with long-term averages. This recovery in investor sentiment reflects a shift from a highly cautious stance to one more aligned with economic fundamentals and corporate earnings. Moving forward, the sustainability of the market's recovery will depend on the outlook for economic growth and corporate profitability, which in turn relies on the scale and pace of forthcoming fiscal policies.

We increased our cash holdings to stay flexible and maintain positions in resilient companies to navigate economic uncertainties effectively. This strategy aims to protect and enhance our clients' investments in a challenging economic environment.

We continue to overweight internet, financial and consumer sectors.

VI. SOFT COMMISSIONS

The Manager has received soft commissions from brokers/dealers in the form of goods and services such as research materials, data and quotation services incidental to investment management of the Fund and investment related publications. Such soft commissions received are utilised in the investment management of the Fund and are of demonstrable benefit to the Fund and Unit holders and there was no churning of trades.

VII. SECURITIES LENDING OR REPURCHASE TRANSACTIONS

No securities lending or repurchase transactions have been carried out during the financial period under review.

VIII. CROSS TRADE TRANSACTIONS

No cross trade transactions have been carried out during the financial period under review.

STATEMENT BY THE MANAGER

I, Chue Kwok Yan, as the Director of Hong Leong Asset Management Bhd, do hereby state that, in the opinion of the Manager, the accompanying unaudited condensed financial statements set out on pages 13 to 40 are drawn up in accordance with the provision of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2024 and of its financial performance, changes in equity and cash flows for the financial period ended 30 September 2024 in accordance with the Malaysian Financial Reporting Standard 134 “Interim Financial Reporting” and International Accounting Standard 34 “Interim Financial Reporting”.

For and on behalf of the Manager,
Hong Leong Asset Management Bhd
(Company No.: 199401033034 (318717-M))

CHUE KWOK YAN

Chief Executive Officer/Executive Director

Kuala Lumpur
22 November 2024

TRUSTEE’S REPORT

TO THE UNIT HOLDERS OF HONG LEONG GREATER CHINA FUND (FORMERLY KNOWN AS HONG LEONG HONG KONG EQUITY OPTIMIZER FUND) (“Fund”)

We have acted as Trustee of the Fund for the financial period ended 30 September 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Hong Leong Asset Management Bhd 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 Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Kuala Lumpur
22 November 2024

Sylvia Beh
Chief Executive Officer

CONDENSED STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Note	2024 RM	2023 RM
INVESTMENT INCOME/(LOSS)			
Interest income from financial assets measured at amortised cost		4,187	1,056
Dividend income		196,757	130,065
Net gain/(loss) on derivative	7	384,831	(359,651)
Net gain/(loss) on financial assets at fair value through profit or loss ("FVTPL")	8	214,762	(1,213,261)
Net foreign currency exchange (loss)/gain		(92,528)	37,549
		<u>708,009</u>	<u>(1,404,242)</u>
EXPENDITURE			
Management fee	4	(73,121)	(97,384)
Trustee's fee	5	(3,250)	(3,895)
Auditors' remuneration		(3,763)	(3,750)
Tax agent's fee		(2,256)	(2,251)
Custodian fees		(4,889)	(2,885)
Transaction costs		(24,728)	(17,860)
Other expenses		(11,340)	(6,291)
		<u>(123,347)</u>	<u>(134,316)</u>
PROFIT/(LOSS) BEFORE TAXATION		584,662	(1,538,558)
Taxation	6	-	(27,681)
PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		<u>584,662</u>	<u>(1,566,239)</u>
Profit/(loss) after taxation is made up as follows:			
Realised amount		(268,822)	(694,957)
Unrealised amount		853,484	(871,282)
		<u>584,662</u>	<u>(1,566,239)</u>

The accompanying notes to the financial statements form an integral part of these unaudited condensed financial statements.

CONDENSED STATEMENT OF FINANCIAL POSITION *(Unaudited)*

AS AT 30 SEPTEMBER 2024

	Note	30.09.2024 RM	31.03.2024 RM
ASSETS			
Cash and cash equivalents		1,585,903	456,761
Amount due from brokers/dealers		382,502	-
Amount due from the Manager			
-creation of units		96,741	-
Derivative	7	165,527	5,213
Dividends receivable		17,116	3,918
Financial assets at FVTPL	8	5,896,205	7,869,989
Tax recoverable		30,844	14,404
TOTAL ASSETS		<u>8,174,838</u>	<u>8,350,285</u>
LIABILITIES			
Amount due to the Manager			
-management fee		10,646	12,692
-cancellation of units		2,128	-
Amount due to the Trustee		473	11,237
Other payables and accruals		12,166	14,622
TOTAL LIABILITIES		<u>25,413</u>	<u>38,551</u>
NET ASSET VALUE OF THE FUND		<u>8,149,425</u>	<u>8,311,734</u>
EQUITY			
Unit holders' capital		9,519,566	10,266,537
Accumulated loss		(1,370,141)	(1,954,803)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>8,149,425</u>	<u>8,311,734</u>
UNITS IN CIRCULATION (UNITS)	9	<u>39,940,340</u>	<u>43,791,189</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.2040</u>	<u>0.1898</u>

The accompanying notes to the financial statements form an integral part of these unaudited condensed financial statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Unit holders' capital RM	Accumulated loss RM	Total RM
Balance as at 1 April 2024	10,266,537	(1,954,803)	8,311,734
Movement in net asset value:			
Creation of units from applications	476,807	-	476,807
Cancellation of units	(1,223,778)	-	(1,223,778)
Total comprehensive income for the financial period	-	584,662	584,662
Balance as at 30 September 2024	9,519,566	(1,370,141)	8,149,425
Balance as at 1 April 2023	10,611,803	159,702	10,771,505
Movement in net asset value:			
Creation of units from applications	153,179	-	153,179
Cancellation of units	(342,043)	-	(342,043)
Total comprehensive loss for the financial period	-	(1,566,239)	(1,566,239)
Balance as at 30 September 2023	10,422,939	(1,406,537)	9,016,402

The accompanying notes to the financial statements form an integral part of these unaudited condensed financial statements.

CONDENSED STATEMENT OF CASH FLOWS *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sales of financial assets at FVTPL	4,157,129	3,601,313
Purchase of financial assets at FVTPL	(2,375,742)	(1,442,502)
Realised gain/(loss) on derivative	224,517	(216,243)
Realised foreign exchange differences arising from operating activities	(10,310)	8,360
Interest income received from financial assets measured at amortised cost	4,187	1,056
Dividend income received	177,526	120,487
Management fee paid	(75,167)	(99,988)
Trustee's fee paid	(14,014)	(12,976)
Payment for other fees and expenses	(19,157)	(9,479)
Tax paid	(16,440)	(22,955)
Net cash generated from operating activities	2,052,529	1,927,073
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	380,066	172,339
Payments for cancellation of units	(1,221,650)	(342,043)
Net cash used in financing activities	(841,584)	(169,704)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,210,945	1,757,369
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	(81,803)	29,189
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	456,761	329,014
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	1,585,903	2,115,572

The accompanying notes to the financial statements form an integral part of these unaudited condensed financial statements.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Hong Leong Greater China Fund (formerly known as Hong Leong Equity Optimizer Fund) (“the Fund”) was constituted pursuant to the execution of a Deed dated 21 July 2011 between Hong Leong Asset Management Bhd (“the Manager”), Maybank Trustees Berhad for the unit holders of the Fund. Maybank Trustees Berhad has been replaced with Deutsche Trustees Malaysia Berhad (“the Trustee”) effective 1 September 2012 and Supplemental Master Deeds were entered into between the Manager and the Trustee for the unit holders of the Fund on 27 July 2012, 25 March 2015, 28 November 2019, 7 February 2020, 21 December 2021, 28 April 2022, 23 March 2023, 23 October 2023, and 13 February 2024 to effect the change (“the Deeds”).

The Fund seeks to achieve medium to long-term capital growth and income by investing in a portfolio of investments comprising equities, equity-related securities and fixed income instruments primarily in the Hong Kong market.

The Fund will invest a minimum 70% of its net asset value into equities and equity-related securities which include common stock and depositary receipts of companies that are listed in the Hong Kong market. The Fund may also invest up to 30% of its net asset value into fixed income instruments in Malaysia and Hong Kong, which include fixed income securities, money market instruments and deposits. The Fund commenced operations on 20 September 2011 and will continue its operations until terminated as provided under Part 12 of the Deeds.

The Manager of the Fund is Hong Leong Asset Management Bhd, a company incorporated in Malaysia. The principal activity of the Manager is the management of unit trust funds, private retirement schemes and private investment mandates. Its holding company is Hong Leong Capital Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The financial statements were authorised for issue by the Manager on 22 November 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

(a) Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard 134 “Interim Financial Reporting” and International Accounting Standard 34 “Interim Financial Reporting”.

The condensed financial statements should be read in conjunction with the audited financial statements of the Fund for the financial year ended 31 March 2024 which have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

(b) Financial assets and financial liabilities

Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (“OCI”) or through profit or loss), and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flows characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from brokers/dealers, amount due from the Manager and dividends receivable as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to the Manager, amount due to the Trustee and other payables and accruals as financial liabilities measured at amortised cost.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss including the effects of currency translation are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the period which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of dividend income when the Fund's right to receive payments is established.

Foreign quoted investments are valued at the last traded market prices quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.

If a valuation based on the market price does not represent the fair value of the quoted investments, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest rate method over the period from the date of placement to the date of maturity of the respective deposits, which is a close estimate of their fair value due to the short term nature of the deposits. Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective interest rate method.

Impairment

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. Management considers the probability of default to be closed to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of obligor's sources of income or assets to generate sufficient future cash flows to pay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial period.

(c) Foreign currency

Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Fund's functional and presentation currency.

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in RM primarily due to the following factors:

- The Fund's NAV per unit and the settlement of creation and cancellation are denominated in RM.
- The Fund's significant expenses are denominated in RM.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges.

Translation differences on non-monetary financial assets and liabilities such as equities, exchange traded funds and collective investment scheme held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

(d) Income recognition

Dividend income is recognised on the ex-dividend date when the Fund's right to receive payment is established.

Interest income from deposits with licensed financial institutions and auto-sweep facility bank account are recognised on the effective interest rate method on an accrual basis.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gain or loss on disposal of quoted investments is accounted for as the difference between the net disposal proceeds and the carrying amount of quoted investments, determined on a weighted average cost basis.

Realised gain or loss on derivative - unquoted forward currency contract is measured by the net settlement as per the forward currency contract.

(e) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at banks and deposits held in highly liquid investments that are readily convertible to known amounts of cash with an original maturity of three months or lesser which are subject to an insignificant risk of changes in value.

(f) Amount due from/to brokers/dealers

Amount due from/to brokers/dealers represents receivables/payables for investments sold/purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment for amount due from brokers/dealers. A provision for impairment of amount due from a broker/dealer is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker/dealer. Significant financial difficulties of the broker/dealer, probability that the broker/dealer will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from brokers/dealers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(g) Taxation

Current tax expense is determined according to Malaysian tax laws at the prevailing tax rate based on the taxable profit earned during the financial period. Withholding taxes on investment income from foreign investments are based on the tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised and measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

(h) Distributions

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the financial period in which it is approved by the Board of Directors of the Manager.

(i) Transaction costs

Transaction costs are costs incurred to acquire or dispose financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents and brokers/dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

(j) Unit holders' capital

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the unit holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase the units; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss and change in the net asset value of the Fund.

The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation and cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

(k) Derivatives

A derivative is any contract that gives rise to a financial asset/liability of the Fund and a financial liability/asset or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

The Fund's derivative comprise unquoted forward currency contracts. Derivative are initially recognised at fair value on the date a derivative contract is entered into and is subsequently re-measured at their fair value.

The fair value of forward foreign currency contracts is determined using forward exchange rates at the date of statement of financial position with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as held for trading and accounted for in accordance with the accounting policy set out in Note 2(b).

(l) Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The information presented herein represents the estimates of fair values as at the date of the statement of financial position.

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on the respective classification.

The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position as at the reporting date:

	Financial assets at FVTPL RM	Financial assets/ liabilities at amortised cost RM	Total RM
30.09.2024			
<u>Financial assets</u>			
Cash and cash equivalents	-	1,585,903	1,585,903
Amount due from brokers/ dealers	-	382,502	382,502
Amount due from the Manager			
-creation of units	-	96,741	96,741
Derivative (Note 7)	-	165,527	165,527
Dividends receivable	-	17,116	17,116
Financial assets at FVTPL (Note 8)	5,896,205	-	5,896,205
	<u>5,896,205</u>	<u>2,247,789</u>	<u>8,143,994</u>
<u>Financial liabilities</u>			
Amount due to the Manager			
-management fee	-	10,646	10,646
-cancellation of units	-	2,128	2,128
Amount due to the Trustee	-	473	473
Other payables and accruals	-	12,166	12,166
	-	<u>25,413</u>	<u>25,413</u>
31.03.2024			
<u>Financial assets</u>			
Cash and cash equivalents	-	456,761	456,761
Derivative (Note 7)	5,213	-	5,213
Dividends receivable	-	3,918	3,918
Financial assets at FVTPL (Note 8)	7,869,989	-	7,869,989
	<u>7,875,202</u>	<u>460,679</u>	<u>8,335,881</u>
<u>Financial liabilities</u>			
Amount due to the Manager			
-management fee	-	12,692	12,692
Amount due to the Trustee	-	11,237	11,237
Other payables and accruals	-	14,622	14,622
	-	<u>38,551</u>	<u>38,551</u>

All liabilities except derivative are financial liabilities which are carried at amortised cost.

(m) Critical accounting estimates and judgements in applying accounting policies

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission Malaysia's Guidelines on Unit Trust Funds.

However, the Manager is of the opinion that there are no accounting policies which require significant judgement to be exercised.

3. FAIR VALUE ESTIMATION

The fair value of financial assets traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each period/year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For instruments for which there is no active market, the Fund may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which market were or have been inactive during the financial period. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counter party risk.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis.

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and

- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that requires significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy of the Fund's financial assets (by class) measured at fair value:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
30.09.2024				
<u>Financial assets at FVTPL:</u>				
- Quoted equity securities - foreign	5,896,205	-	-	5,896,205
<u>Financial asset:</u>				
- Derivative	-	165,527	-	165,527
	<u>5,896,205</u>	<u>165,527</u>	<u>-</u>	<u>6,061,732</u>
31.03.2024				
<u>Financial assets at FVTPL:</u>				
- Quoted equity securities - foreign	7,342,450	-	-	7,342,450
- Quoted exchange traded funds - foreign	527,539	-	-	527,539
<u>Financial asset:</u>				
- Derivative	-	5,213	-	5,213
	<u>7,869,989</u>	<u>5,213</u>	<u>-</u>	<u>7,875,202</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities, listed exchange traded funds and listed collective investment scheme. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include derivative. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The Fund's policies on valuation of these financial assets/liabilities are stated in Note 2(b) and 2(k).

- (ii) The carrying values of financial assets (other than financial assets at FVTPL and derivative) and financial liabilities (other than derivative) are a reasonable approximation of their fair values due to their short term nature.

4. MANAGEMENT FEE

In accordance with Division 13.1 of the Deeds, the Manager is entitled to a management fee of up to 2.00% per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 30 September 2024, the management fee is recognised at a rate of 2.00% (2023: 2.00%) per annum.

There is no further liability to the Manager in respect of management fee other than the amount recognised above.

5. TRUSTEE'S FEE

In accordance with Division 13.2 of the Deeds, the Trustee is entitled to a fee not exceeding 1.00% per annum subject to a minimum of RM18,000 per annum (excluding foreign custodian fees and charges) calculated daily based on the net asset value of the Fund.

For the financial period ended 30 September 2024, the Trustee's fee is recognised at a rate of 0.08% (2023: 0.08%) per annum.

There is no further liability to the Trustee in respect of Trustee's fee other than the amount recognised above.

6. TAXATION

	2024 RM	2023 RM
Tax charge for the financial period:		
Current taxation	-	27,681

The numerical reconciliation between profit/(loss) before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund is as follows:

	2024 RM	2023 RM
Profit/(loss) before taxation	584,662	(1,538,558)
Taxation at Malaysian statutory rate of 24% (2023: 24%)	140,319	(369,254)
Tax effects of:		
(Investment income not subjected to tax)/ investment loss disallowed from tax	(169,922)	367,169
Expenses not deductible for tax purposes	9,802	6,551
Restriction on tax deductible expenses for unit trust fund	19,801	23,215
Taxation	-	27,681

7. DERIVATIVE

Derivative comprises forward currency contract. The positive fair value represents the unrealised gain on the revaluation of forward currency at the reporting date. The contract or underlying principal amount of the forward currency contract and the corresponding gross positive fair value at the end of each reporting date is analysed below:

	30.09.2024 RM	31.03.2024 RM
<u>Derivative asset:</u>		
Forward currency contract	165,527	5,213

	2024 RM	2023 RM
<u>Net gain/(loss) on derivative:</u>		
Realised gain/(loss) on disposals	224,517	(216,243)
Changes in unrealised fair values	160,314	(143,408)
	384,831	(359,651)

	Maturity date	Contract or underlying principal amounts	*Fair value RM
30.09.2024			
Hong Kong Dollar	within 1 month	6,108,000	165,527
31.03.2024			
Hong Kong Dollar	within 1 month	6,516,000	5,213

* Being the difference between the contract price and the market forward price discounted at appropriate discount rates.

	Receivables RM	Fair value RM	Percentage of net asset value %
30.09.2024			
Hong Leong Bank Berhad	165,527	165,527	2.03
31.03.2023			
Hong Leong Bank Berhad	5,213	5,213	0.06

As the Fund does not adopt hedge accounting during the financial period, the change in the fair value of the forward currency contracts is recognised immediately in the statement of comprehensive income.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	30.09.2024 RM	31.03.2024 RM
<u>Financial assets at FVTPL:</u>		
Quoted equity securities - foreign	5,896,205	7,342,450
Quoted exchange traded funds - foreign	-	527,539
	5,896,205	7,869,989
	2024 RM	2023 RM

	2024 RM	2023 RM
<u>Net gain/(loss) on financial assets at FVTPL:</u>		
Realised loss on disposals	(560,626)	(456,198)
Changes in unrealised fair values	775,388	(757,063)
	214,762	(1,213,261)

Financial assets at FVTPL as at 30 September 2024 are as detailed below:

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EQUITY SECURITIES - FOREIGN				
Hong Kong				
<u>Bank</u>				
China Construction Bank Corporation*	80,000	276,183	249,547	3.06
HSBC Holdings PLC	10,800	441,216	403,637	4.95
	90,800	717,399	653,184	8.01
<u>Computers</u>				
Lenovo Group Limited	36,000	256,971	202,439	2.48
<u>Diversified Financial Services</u>				
BOC Aviation Limited	9,000	315,012	307,000	3.77
Hong Kong Exchanges and Clearing Limited	2,300	415,405	398,013	4.88
	11,300	730,417	705,013	8.65
<u>Electronics</u>				
AAC Technologies Holdings Inc	10,000	118,559	169,230	2.08
<u>Insurance</u>				
AIA Group Limited	15,000	623,823	554,240	6.80
<u>Internet</u>				
Alibaba Group Holding Limited	10,000	672,383	583,550	7.16
Baidu Inc - Class A	4,000	232,303	224,083	2.75
Tencent Holdings Limited	2,100	435,407	495,307	6.08
Trip.com Group Limited	1,900	315,701	494,903	6.07
	18,000	1,655,794	1,797,843	22.06
<u>Lodging</u>				
Galaxy Entertainment Group Limited	14,000	379,047	290,024	3.56
<u>Miscellaneous Manufacturing</u>				
Sunny Optical Technology (Group) Company Limited	11,000	427,514	335,541	4.12
<u>Retail</u>				
Anta Sports Products Limited	8,000	457,921	400,846	4.92
<u>Semiconductors</u>				
Semiconductor Manufacturing International Corporation	36,000	444,233	398,193	4.89
<u>Telecommunications</u>				
China Mobile Limited	10,000	395,576	389,652	4.78
TOTAL QUOTED EQUITY SECURITIES - FOREIGN	260,100	6,207,254	5,896,205	72.35
UNREALISED LOSS ON FINANCIAL ASSETS AT FVTPL		(311,049)		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		5,896,205		

Financial assets at FVTPL as at 31 March 2024 are as detailed below:

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EQUITY SECURITIES - FOREIGN				
Hong Kong				
<u>Apparel</u>				
Shenzhen International Group Holdings Limited	5,500	244,818	246,405	2.96
<u>Computers</u>				
PAX Global Technology Limited	154,000	567,144	574,479	6.91
<u>Diversified Financial Services</u>				
BOC Aviation Limited	9,000	315,012	328,117	3.95
Hong Kong Exchanges & Clearing Limited	2,300	415,405	316,774	3.81
	11,300	730,417	644,891	7.76
<u>Electronics</u>				
AAC Technologies Holdings Inc	28,000	331,965	444,381	5.35
<u>Insurance</u>				
AIA Group Limited	13,000	552,960	413,032	4.97
<u>Internet</u>				
Alibaba Group Holding Limited	15,000	1,008,575	637,097	7.66
Tencent Holdings Limited	3,700	767,145	679,607	8.18
Trip.com Group Limited	3,200	531,706	667,865	8.04
	21,900	2,307,426	1,984,569	23.88
<u>Lodging</u>				
Galaxy Entertainment Group Limited	14,000	379,047	332,651	4.00
Sands China Limited	27,000	402,598	359,949	4.33
	41,000	781,645	692,600	8.33
<u>Miscellaneous Manufacturing</u>				
Sunny Optical Technology (Group) Company Limited	17,000	775,603	410,614	4.94
<u>Retail</u>				
Anta Sports Products Limited	11,400	652,538	573,451	6.90
<u>Semiconductors</u>				
ASMPT Limited	8,000	329,682	475,941	5.72
Semiconductor Manufacturing International Corporation	36,000	444,233	329,967	3.97
	44,000	773,915	805,908	9.69
<u>Software</u>				
NetEase Inc	1,500	153,687	147,643	1.78
<u>Telecommunications</u>				
China Mobile Limited	10,000	395,576	404,477	4.87
TOTAL QUOTED EQUITY SECURITIES - FOREIGN	358,600	8,267,694	7,342,450	88.34

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EXCHANGE TRADED FUNDS - FOREIGN				
Hong Kong				
CSOP CSI 500 ETF	20,400	188,779	188,708	2.27
CSOP FTSE China A50 ETF	3,400	32,117	24,133	0.29
CSOP Hang Seng TECH Index ETF	153,000	467,836	314,698	3.79
TOTAL QUOTED EXCHANGE TRADED FUNDS - FOREIGN	176,800	688,732	527,539	6.35
TOTAL INVESTMENTS	535,400	8,956,426	7,869,989	94.69
UNREALISED LOSS ON FINANCIAL ASSETS AT FVTPL		(1,086,437)		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		7,869,989		

* H Shares are shares of the companies incorporated in the Chinese mainland that is listed on the Hong Kong Stock Exchange. These shares are denominated in Hong Kong dollars and trade the same as other equities on the Hong Kong Stock Exchange.

9. UNITS IN CIRCULATION

	30.09.2024 No. of units	31.03.2024 No. of units
At the beginning of the financial period/year	43,791,189	45,416,442
Add: Creation of units during the financial period/year		
- Arising from applications	2,364,345	1,141,770
Less: Cancellation of units during the financial period/year	(6,215,194)	(2,767,023)
At the end of the financial period/year	39,940,340	43,791,189

10. TOTAL EXPENSE RATIO ("TER")

	2024 %	2023 %
TER (annualised)	2.29	2.38

Total expense ratio includes management fee, Trustee's fee, auditors' remuneration, tax agent's fee, custodian fees and other expenses for the financial period divided by the Fund's average net asset value calculated on a daily basis and is calculated as follows:

$$TER = \frac{(A+B+C+D+E+F)}{G} \times 100$$

Where;

- A = Management fee
- B = Trustee's fee
- C = Auditors' remuneration
- D = Tax agent's fee
- E = Custodian fees
- F = Other expenses excluding withholding tax
- G = Average net asset value of the Fund calculated on a daily basis

The average net asset value of the Fund for the financial period calculated on a daily basis is RM8,097,911 (2023: RM9,736,800).

11. PORTFOLIO TURNOVER RATIO ("PTR")

	2024 Times	2023 Times
PTR	0.46	0.28

PTR is derived from the following calculation:

(Total acquisitions for the financial period + total disposals for the financial period) / 2

Average net asset value of the Fund for the financial period calculated on a daily basis

Where;

total acquisitions for the financial period
= RM2,367,316 (2023: RM1,437,024)

total disposals for the financial period
= RM5,116,487 (2023: RM4,069,893)

12. UNITS HELD BY THE MANAGER AND RELATED PARTIES TRANSACTIONS AND BALANCES

The related parties and their relationships with the Fund are as follows:

<u>Related parties</u>	<u>Relationships</u>
Hong Leong Asset Management Bhd	The Manager
Hong Leong Islamic Asset Management Sdn Bhd	Subsidiary of the Manager
Hong Leong Capital Berhad	Holding company of the Manager
Hong Leong Financial Group Berhad ("HLFG")	Ultimate holding company of the Manager
Subsidiaries and associates of HLFG as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager

No units were held by the Manager and parties related to the Manager as at 30 September 2024 and 31 March 2024.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other related party transactions and balances. The Manager is of the opinion that all transactions with the related companies have been entered into at agreed terms between the related parties.

	30.09.2024	31.03.2024
	RM	RM
<u>Related party balances</u>		
Cash at bank:		
- Hong Leong Bank Berhad	123,772	403,839
Derivative:		
- Hong Leong Bank Berhad	165,527	5,213
	<u>289,299</u>	<u>409,052</u>
	2024	2023
	RM	RM

Related party transactions

Interest income from auto-sweep facility bank account:

- Hong Leong Bank Berhad	2,954	751
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13. TRANSACTIONS WITH BROKERS/DEALERS

Detail of transactions with brokers/dealers are as follows:

	Values of trade	Percentage of total trade	Brokerage fees	Percentage of total brokerage fees
	RM	RM	RM	%
2024				
Affin Hwang Investment Bank Berhad	2,099,058	30.35	4,210	30.43
CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd)	1,814,522	26.24	3,634	26.27
DBS Vickers Securities (Singapore) Pte Ltd	1,163,465	16.83	1,748	12.63
CLSA Limited	1,143,134	16.53	2,857	20.65
Shenwan Hongyuan Securities (H.K.) Limited	695,122	10.05	1,386	10.02
	<u>6,915,301</u>	<u>100.00</u>	<u>13,835</u>	<u>100.00</u>
2023				
Shenwan Hongyuan Securities (H.K.) Limited	1,525,077	30.24	3,061	30.79
DBS Vickers Securities (Singapore) Pte Ltd	1,395,267	27.66	2,096	21.09
CLSA Limited	1,073,471	21.28	2,688	27.04
Affin Hwang Investment Bank Berhad	714,868	14.17	1,427	14.36
Credit Suisse (Hong Kong) Limited	335,132	6.65	668	6.72
	<u>5,043,815</u>	<u>100.00</u>	<u>9,940</u>	<u>100.00</u>

Performance Data

for the Financial Period Ended 30 September and Financial Years Ended 31 March

		Financial Period Sep 2024 %	Financial Year 2024 %	Financial Year 2023 %	Financial Year 2022 %
A. (i) Portfolio Compositions:					
Apparel		-	2.96	6.71	-
Auto Parts & Equipment		-	-	3.22	-
Bank		8.01	-	-	2.25
Commercial Services		-	-	2.68	-
Communications, Communicator Services		-	-	-	3.63
Computers		2.48	6.91	5.30	1.22
Consumer Products & Services		-	-	-	4.90
Diversified Financial Services		8.65	7.76	7.03	2.81
Electronics		2.08	5.35	-	-
Engineering & Construction		-	-	2.77	-
Food		-	-	3.36	0.89
Hand/Machine Tools		-	-	2.66	2.93
Insurance		6.80	4.97	5.61	8.32
Internet		22.06	23.88	20.16	13.13
Lodging		3.56	8.33	7.89	2.57
Mining		-	-	-	3.38
Miscellaneous Manufacturing		4.12	4.94	2.97	1.85
Oil & Gas		-	-	-	2.39
Pharmaceuticals		-	-	2.76	1.38
Real Estate		-	-	1.99	-
Retail		4.92	6.90	6.78	3.72
Semiconductors		4.89	9.69	5.55	3.01
Software		-	1.78	-	-
Telecommunications		4.78	4.87	-	0.91
Collective Investment Schemes		-	6.35	8.63	6.42
Deposits & Cash Equivalents		27.65	5.31	3.93	34.29
(ii) Total Net Asset Value	(ex-distribution)	RM8,149,425	RM8,311,734	RM10,771,505	RM12,769,212
(iii) Net Asset Value Per Unit	(ex-distribution)	RM0.2040	RM0.1879	RM0.2372	RM0.2661
Units in Circulation	(ex-distribution)	39,940,340	43,791,189	45,416,442	47,995,144
(iv) Highest/Lowest NAV Per Unit	Highest NAV Per Unit	RM0.2099	RM0.2386	RM0.2697	RM0.3861
(ex-distribution)	Lowest NAV Per Unit	RM0.1749	RM0.1757	RM0.1912	RM0.2486
(v) Total Return of the Fund*		8.57%	-20.78%	-3.34%	-21.64%
- Capital Growth		8.57%	-20.78%	-10.86%	-27.77%
- Income Distribution		-	-	7.52%	6.13%
(vi) The distribution (gross) is made out of:-					
- The Fund's Capital		-	-	2.0000 sen/unit	2.8760 sen/unit
- The Fund's Income		-	-	0.0000 sen/unit	0.0000 sen/unit
- Total Distribution Amount		-	-	2.0000 sen/unit	2.8760 sen/unit
- The Fund's Capital (% of Total Distribution Amount)		-	-	100%	100%
- The Fund's Income (% of Total Distribution Amount)		-	-	0%	0%
(vii) Distribution Per Unit	Additional Units	-	-	-	-
	Distribution (Gross)	-	-	2.0000 sen/unit	2.8760 sen/unit
	Distribution (Net)	-	-	2.0000 sen/unit	2.8760 sen/unit
	Distribution Date	-	-	19/07/2022	22/07/2021
	Cum-Distribution NAV/Unit	-	-	RM0.2572	RM0.3679
	Ex-Distribution NAV/Unit	-	-	RM0.2372	RM0.3391

Performance Data

for the Financial Period Ended 30 September and Financial Years Ended 31 March

	Financial Period Sep 2024 %	Financial Year 2024 %	Financial Year 2023 %	Financial Year 2022 %
(viii) Total Expense Ratio (TER)	2.29%#	2.53%	2.49%	2.52%
(ix) Portfolio Turnover Ratio (PTR) (times)	0.46##	0.43	0.51	0.88
B. Average Total Return, NAV Per Unit-to-NAV Per Unit basis (as at 30/09/2024)*				
(i) One year	0.94%			
(ii) Three years	-9.35%			
(iii) Five years	-6.03%			

* Source: Lipper for Investment Management
(Returns are calculated after adjusting for distributions and/or additional units, if any)

The TER was 0.24 percentage point lower as compared to 2.53% for the financial year ended 31 March 2024 mainly due to decrease in expenses of the Fund.

The PTR increased by 0.03 times (6.98%) to 0.46 times for the financial period from 1 April 2024 to 30 September 2024 versus 0.43 times for the financial year ended 31 March 2024 mainly due to lower average net asset value of the Fund and increased by 0.18 times (64.29%) as compared to 0.28 times for the financial period from 1 April 2023 to 30 September 2023 mainly due to higher level of rebalancing activities undertaken by the Fund.

Corporate Information

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Hong Leong Asset Management Bhd [199401033034 (318717-M)]

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Board of Directors

Ms. Lee Jim Leng
Mr. Chue Kwok Yan
YBhg Dato' Abdul Majit bin Ahmad Khan
YM Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin

Executive Director / Chief Executive Officer

Mr. Chue Kwok Yan

Trustee

Deutsche Trustees Malaysia Berhad

Auditor

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146)

Distributors

Hong Leong Bank Berhad
Registered Independent Tied Agents with FIMM

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