

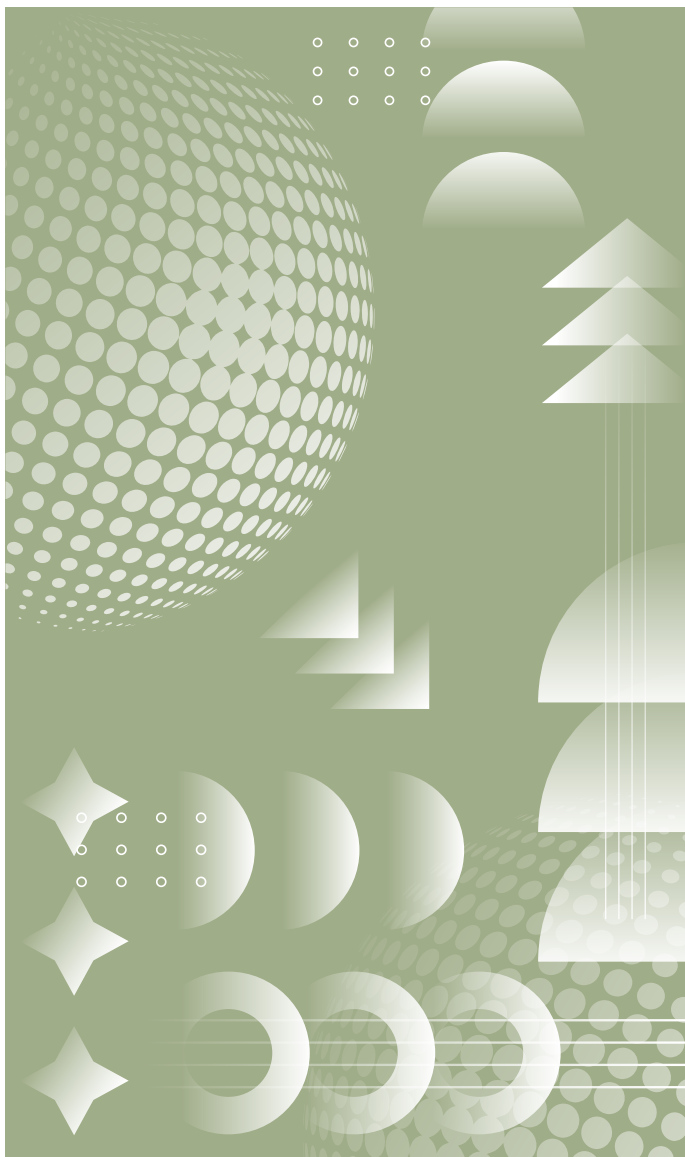
Hong Leong Regular Income Fund

Semi-Annual Report

Financial Period Ended 31 March 2024

2023/2024

Unaudited



HONG LEONG REGULAR INCOME FUND

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Manager's Review and Report

I. FUND INFORMATION

Fund Name

Hong Leong Regular Income Fund ("HLRIF" or "the Fund")

Fund Category

Fixed Income

Fund Type

Income & Growth

Investment Objective

The Fund aims to provide investors with the opportunity to enjoy regular income* and seek medium to long-term capital growth by investing into a diversified investment portfolio containing a mixture of fixed income instruments, equities and equity-related securities.

Duration of the Fund and its termination date, where applicable

Not Applicable

Benchmark

Malayan Banking Berhad (Maybank) 1-Year Fixed Deposit (FD) Rate (70%) and MSCI AC Asia Pacific ex-Japan (30%)

Distribution Policy

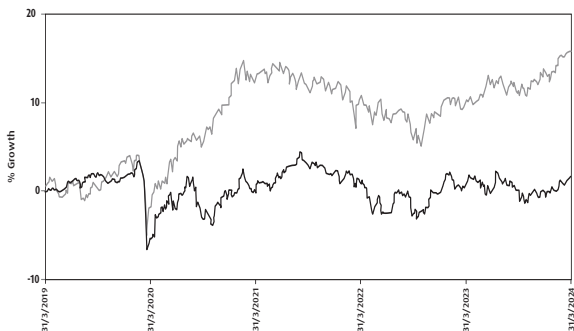
The Fund intends to provide regular income* and consistent medium to long-term capital growth. As such, regular income* distribution will be declared on a monthly basis, subject to availability of income.

Note:

* Income distributed (if any) will be reinvested into additional Units unless Unit holders opt for the distribution to be paid out.

II. FUND PERFORMANCE

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



From 31/3/2019 To 31/3/2024

- Hong Leong Regular Income Fund (HLRIF) : 1.81
- Maybank 1-Year FD Rate/MSCI AC Asia Pacific ex-Japan (70:30) : 15.92

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 HLRIF 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 October 2023 to 31 March 2024.

The Fund posted a return of 1.63% (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 Maybank 1-Year FD Rate/MSCI AC Asia Pacific ex-Japan Index (70:30) registered a return of 4.04% (in Malaysian Ringgit terms).

For the five-year financial periods ended 31 March 2024, the Fund registered a return of 1.81% compared to the benchmark's return of 15.92% while distributing a total gross income of 4.06 sen per unit (net income of 4.06 sen per unit).

Table 1: Performance of the Fund for the following periods as at 31 March 2024 (Source: Lipper for Investment Management)

	31/12/23– 31/03/24	30/09/23– 31/03/24	31/03/23– 31/03/24	31/03/21– 31/03/24	31/03/19– 31/03/24	10/08/16– 31/03/24 Since Launch
	3 Months	6 Months	1 Year	3 Years	5 Years	
HLRIF Return (%)	1.70	1.63	1.39	2.06	1.81	15.91
Benchmark (%)	1.89	4.04	5.19	2.83	15.92	30.51

Table 2: Return of the Fund based on NAV Per Unit-to-NAV Per Unit basis for the period 30 September 2023 to 31 March 2024 (Source: Lipper for Investment Management)

	31-Mar-24	30-Sep-23	Return (%)
NAV Per Unit	RM0.4727*	RM0.4651	1.63
Benchmark	130.49	125.43	4.04
vs Benchmark (%)	-	-	-2.41

* 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:

	31-Mar-24 (RM)	30-Sep-23 (RM)	Change (%)
Unit Holders' Capital	53,217,471	60,702,723	(12.33)
Accumulated Loss	(23,953,922)	(24,412,081)	1.88
Net Asset Value	29,263,549	36,290,642	(19.36)
Units in Circulation	61,895,865	78,032,057	(20.68)

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/years

	Financial Period 30/09/23– 31/03/24	Financial Year 30/09/22– 30/09/23	Financial Year 30/09/21– 30/09/22	Financial Year 30/09/20– 30/09/21
Highest NAV Per Unit (RM)	0.4728	0.4747	0.4810	0.4877
Lowest NAV Per Unit (RM)	0.4580	0.4497	0.4508	0.4580
Capital Growth (%)	1.63	2.69	-5.63	3.58
Income Distribution (%)	-	-	0.22	2.92
Total Return (%)	1.63	2.69	-5.41	6.50

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 HLRIF reinvested.

Table 5: Average Total Return of the Fund

	31/03/23– 31/03/24 1 Year	31/03/21– 31/03/24 3 Years	31/03/19– 31/03/24 5 Years
Average Total Return (%)	1.39	0.69	0.36

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 HLRIF reinvested.

Table 6: Annual Total Return of the Fund

Financial Year	30/09/22– 30/09/23	30/09/21– 30/09/22	30/09/20– 30/09/21	30/09/19– 30/09/20	30/09/18– 30/09/19
Annual Total Return (%)	2.69	-5.41	6.50	-5.06	4.16

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 HLRIF reinvested.

III. INVESTMENT PORTFOLIO

Chart 2: Asset Allocation - October 2023 to March 2024

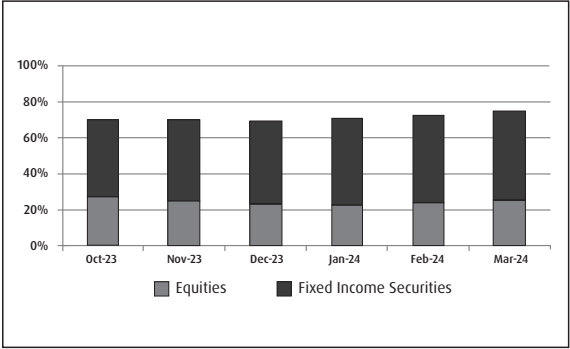


Chart 3: Sector Allocation as at 31 March 2024

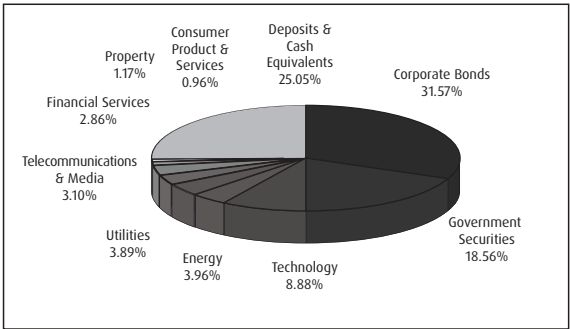
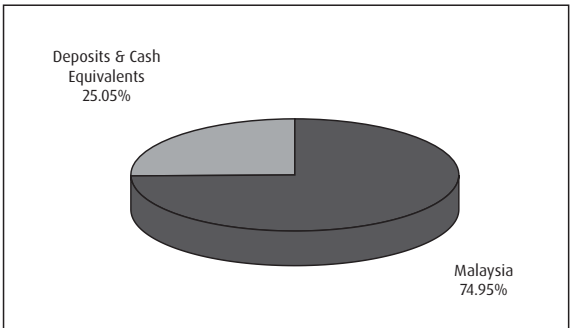


Chart 4: Geographical Allocation as at 31 March 2024



Strategies employed by the Fund during the period under review

During the financial period under review, we maintained our defensive strategy to reduce duration in the Fund in order to manage fund volatility in a rising rate environment.

In the equity segment, the Fund took some profit in the technology and industrial products sector and increase its cash weightage. The Fund increased its exposure to utilities and energy sectors in view of the Malaysia energy transition reforms and high oil prices.

An explanation on the differences in portfolio composition

During the financial period under review, the Fund's fixed income asset allocation increased slightly due to redemptions to the Fund.

In the equity segment, there was an increase in allocation to the utilities and energy sector due to good outlook and attractive valuation while the Fund has trimmed down technology sector due to deteriorating outlook.

Operational review of the Fund

For the financial period under review, there were no significant changes in the state of affairs of the Fund or circumstances that would materially affect the interest of Unit holders up to the date of this Manager's report.

IV. MARKET REVIEW

Fixed Income

During the financial period under review, the Federal Reserve (Fed) raised the Fed Funds Rate (FFR) target range a total of 100 basis points (bps) from 4.25%-4.50% to 5.25%-5.50%, its highest level since 2008 as it continued to battle the worst outbreak of inflation in 40 years. However, the Fed kept the target range for the FFR unchanged at 5.25%-5.50% during the last December meeting. In March, the Fed kept rates unchanged in a unanimous vote and almost identical languages on the Federal Open Market Committee (FOMC) statement. The front-end curve led the decline in yields post-FOMC as market was probably encouraged by no change in the FOMC.

Locally, Malaysia's headline Consumer Price Index (CPI) gained speed for the first time since August 2022, to +1.8% year-on-year (YoY) in February, bouncing off a near three-year low of +1.5% YoY seen in January. The adjustment in water tariffs for the domestic category in Peninsular Malaysia and Labuan, coupled with the 5th straight month of increase in transport prices, contributed to the sharp rise in non-food inflation (from +1.1% to +1.7% YoY), and hence, overall CPI.

Equities

During the financial period under review, the MSCI AC Asia Pacific ex Japan Index rose 8.3%. The best performing markets were Taiwan and Australia while the laggards were Hong Kong and Thailand. In the local market, the FTSE Bursa Malaysia (FBM) KLCI rose 7.9%. Small caps underperformed as the FBM Small Cap Index rose 6.9%.

The final quarter of 2023 started on a tentative note as investors maintained a high cash level in their portfolios in view of the weak economic outlook and heightened geopolitical risk. However global equity markets rallied strongly in the last two months of the year as statements by the United States (US) Fed left very little doubt that the current rate hike cycle is at an end. US indices led the global equity rally as the Dow Jones Industrial Average (DJIA) Index hit an all-time high in December.

Global markets started the year of 2024 positively, particularly in the US as the major US indices hit record highs. Most of the US firms reported earnings that beat expectations. Although inflation remains elevated and expectations of the first rate cut is pushed out further, investors took the macro developments positively with the view that the economy is still robust. China and Hong Kong markets started the year poorly but appears to have found a bottom following a slew of stimulus measures announced by the policy makers in China.

Although the FBM KLCI posted a positive return, it was a quiet fourth quarter for the Malaysia market in comparison to other global peers as investors, particularly foreign investors, appeared to find more urgency to cover their underweight in developed markets before deploying cash in emerging markets.

The FBM KLCI was the top performing ASEAN market in January 2024 and outperformed most regional peers for the rest of the quarter. This is despite a weak currency relative to the US Dollar (USD) and the local equity market experiencing foreign fund selling during the quarter.

V. FUTURE PROSPECTS AND PROPOSED STRATEGIES

Fixed Income

With sticky inflation numbers and strong jobs data, the Fed is worried about cutting interest rates too soon as inflation has yet to reach its targeted 2%. Market now expects 3 cuts (or 75 bps) in the second half of this year. The International Monetary Fund (IMF) expects the US economy to expand by 2.1% in 2024, supported by a still favourable labour market (2022: +2.5%).

On the local front, we expect Bank Negara Malaysia (BNM) to keep the Overnight Policy Rate (OPR) unchanged at 3.0% throughout 2024. The Malaysian bond market may continue to struggle with yield volatility in the near term amidst the weak global bond market backdrop while credit spreads for corporate bonds have also tightened considerably since January 2024. However, in the longer run, with the anticipation of rate cuts in the developed markets, we remain positive on the outlook for the local bond market.

The Fund will maintain its defensive position in order to manage fund volatility.

Equities

We expect investor sentiment to improve considerably given the significant shift in interest rate outlook by the US Fed in their recent communications with the media and investors. With inflation expected to be at benign levels for the year, it is encouraging to know that global central banks will have the flexibility to ease monetary policy to support the economy should the need arise.

We expect the local market to also gain some interest among foreign investors who are looking to have exposure in the emerging market space as the 'risk-on' sentiment prevails. Other external factors that might support interest in the local market includes the expected correction in the USD and the high valuation of the US market.

However, as the economic outlook is still fraught with uncertainty, we expect investors to remain cautious. We opine the best strategy to navigate through this challenging environment is through bottom-up stock picking and remain invested in high quality companies.

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, Hoo See Kheng, 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 12 to 39 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 31 March 2024 and of its financial performance, changes in equity and cash flows for the financial period ended 31 March 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))

HOO SEE KHENG

Chief Executive Officer/Executive Director

Kuala Lumpur
21 May 2024

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF HONG LEONG REGULAR INCOME FUND ("Fund")

We have acted as Trustee of the Fund for the financial period ended 31 March 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 and on behalf of

CIMB Commerce Trustee Berhad

Datin Ezreen Eliza binti Zulkiplee

Chief Executive Officer

Kuala Lumpur, Malaysia

21 May 2024

CONDENSED STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Note	2024 RM	2023 RM
INVESTMENT INCOME			
Interest income from financial assets measured at fair value through profit or loss ("FVTPL")		341,896	733,385
Interest income from financial assets measured at amortised cost	4	124,226	43,671
Dividend income		73,843	127,330
Net gain on financial assets at FVTPL	9	205,046	1,185,105
		<u>745,011</u>	<u>2,089,491</u>
EXPENDITURE			
Management fee	5	(235,990)	(400,283)
Trustee's fee	6	(7,866)	(13,343)
Auditors' remuneration		(4,472)	(3,365)
Tax agent's fee		(1,501)	(1,732)
Custodian fees		(632)	(468)
Transaction costs		(29,644)	(56,901)
Other expenses		(6,747)	(6,253)
		<u>(286,852)</u>	<u>(482,345)</u>
PROFIT BEFORE TAXATION		458,159	1,607,146
Taxation	7	-	-
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		<u>458,159</u>	<u>1,607,146</u>
Profit after taxation is made up as follows:			
Realised amount		(1,662,836)	(1,213,884)
Unrealised amount		2,120,995	2,821,030
		<u>458,159</u>	<u>1,607,146</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 31 MARCH 2024

	Note	31.03.2024 RM	30.09.2023 RM
ASSETS			
Cash and cash equivalents	8	7,413,922	2,104,642
Dividends receivable		48,150	14,200
Financial assets at FVTPL	9	21,933,274	34,282,397
TOTAL ASSETS		<u>29,395,346</u>	<u>36,401,239</u>
LIABILITIES			
Amount due to the Manager			
-cancellation of units		84,420	51,413
-management fee		37,523	47,273
Amount due to the Trustee		1,251	1,576
Other payables and accruals		8,603	10,335
TOTAL LIABILITIES		<u>131,797</u>	<u>110,597</u>
NET ASSET VALUE OF THE FUND		<u>29,263,549</u>	<u>36,290,642</u>
EQUITY			
Unit holders' capital		53,217,471	60,702,723
Accumulated loss		(23,953,922)	(24,412,081)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>29,263,549</u>	<u>36,290,642</u>
UNITS IN CIRCULATION (UNITS)	10	<u>61,895,865</u>	<u>78,032,057</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.4728</u>	<u>0.4651</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 31 MARCH 2024

	Unit holders' capital RM	Accumulated loss RM	Total RM
Balance as at 1 October 2023	60,702,723	(24,412,081)	36,290,642
Movement in net asset value:			
Creation of units from applications	6,796	-	6,796
Cancellation of units	(7,492,048)	-	(7,492,048)
Total comprehensive income for the financial period	-	458,159	458,159
Balance as at 31 March 2024	<u>53,217,471</u>	<u>(23,953,922)</u>	<u>29,263,549</u>
Balance as at 1 October 2022	84,626,293	(25,956,357)	58,669,936
Movement in net asset value:			
Creation of units from applications	971	-	971
Cancellation of units	(12,546,737)	-	(12,546,737)
Total comprehensive income for the financial period	-	1,607,146	1,607,146
Balance as at 31 March 2023	<u>72,080,527</u>	<u>(24,349,211)</u>	<u>47,731,316</u>

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 31 MARCH 2024

	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from redemption of financial assets at FVTPL	-	1,000,000
Proceeds from sales of financial assets at FVTPL	15,154,875	18,212,505
Purchase of financial assets at FVTPL	(2,748,095)	(7,169,928)
Interest income received from financial assets measured at FVTPL and amortised cost	583,866	942,996
Dividend income received	39,893	123,149
Management fee paid	(245,740)	(412,650)
Trustee's fee paid	(8,191)	(13,755)
Payment for other fees and expenses	(15,084)	(16,982)
Net cash generated from operating activities	<u>12,761,524</u>	<u>12,665,335</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	6,796	971
Payments for cancellation of units	(7,459,040)	(12,584,856)
Net cash used in financing activities	<u>(7,452,244)</u>	<u>(12,583,885)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,309,280	81,450
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>2,104,642</u>	<u>2,571,534</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u><u>7,413,922</u></u>	<u><u>2,652,984</u></u>

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 31 MARCH 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Hong Leong Regular Income Fund ("the Fund") was constituted pursuant to the execution of a Deed dated 11 May 2016 and Supplemental Deeds dated 7 June 2022 and 28 February 2023 ("the Deeds") between Hong Leong Asset Management Bhd ("the Manager") and CIMB Commerce Trustee Berhad ("the Trustee") for the unit holders of the Fund.

The Fund aims to provide investors with the opportunity to enjoy regular income and seek medium to long-term capital growth by investing into a diversified investment portfolio containing a mixture of fixed income instruments, equities and equity-related securities.

The Fund will invest a minimum 70% and a maximum of 100% of the Fund's net asset value into fixed income instruments denominated in Ringgit Malaysia which include fixed income securities (but are not limited to government securities, quasi-sovereign securities, corporate bonds, sukuk, convertible bonds and commercial papers); money market instruments, deposits and negotiable instruments of deposit. The Fund may also invest in unrated fixed income securities if these unrated fixed income securities are comparable in investment quality to fixed income securities that are rated. The Fund commenced operations on 10 August 2016 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 21 May 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 30 September 2023 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 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 amounts 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.

Local quoted investments are valued at the last traded market prices quoted on Bursa Malaysia Securities Berhad ("Bursa Securities") at the date of the statement of financial position.

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.

Local unquoted fixed income securities are revalued on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission Malaysia as per the Securities Commission Malaysia's Guidelines on Unit Trust Funds. Where such quotation are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) records its basis for using non-BPA price;
- (ii) obtains necessary internal approvals to use the non-BPA price; and
- (iii) keeps an audit trail of all decisions and basis for adopting the market yield.

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 collective investment schemes 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, auto-sweep facility bank account and unquoted fixed income securities 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 investment 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 disposal of unquoted fixed income securities is accounted for as the difference between the net disposal proceeds and the carrying amount of unquoted fixed income securities, determined on cost adjusted for accretion of discount or amortisation of premium.

(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) Distribution

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) 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
31.03.2024			
<u>Financial assets</u>			
Cash and cash equivalents (Note 8)	-	7,413,922	7,413,922
Dividends receivable	-	48,150	48,150
Financial assets at FVTPL (Note 9)	21,933,274	-	21,933,274
	<u>21,933,274</u>	<u>7,462,072</u>	<u>29,395,346</u>
<u>Financial liabilities</u>			
Amount due to the Manager			
-cancellation of units	-	84,420	84,420
-management fee	-	37,523	37,523
Amount due to the Trustee	-	1,251	1,251
Other payables and accruals	-	8,603	8,603
	<u>-</u>	<u>131,797</u>	<u>131,797</u>
30.09.2023			
<u>Financial assets</u>			
Cash and cash equivalents (Note 8)	-	2,104,642	2,104,642
Dividends receivable	-	14,200	14,200
Financial assets at FVTPL (Note 9)	34,282,397	-	34,282,397
	<u>34,282,397</u>	<u>2,118,842</u>	<u>36,401,239</u>
<u>Financial liabilities</u>			
Amount due to the Manager			
-cancellation of units	-	51,413	51,413
-management fee	-	47,273	47,273
Amount due to the Trustee	-	1,576	1,576
Other payables and accruals	-	10,335	10,335
	<u>-</u>	<u>110,597</u>	<u>110,597</u>

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

(I) 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 Funds' 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 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 the Fund's financial assets (by class) measured at fair value:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
31.03.2024				
<u>Financial assets at FVTPL:</u>				
- Quoted equity securities - local	7,261,992	-	-	7,261,992
- Quoted collective investment scheme - foreign	-	-	-	-
- Unquoted fixed income securities - local	-	14,671,282	-	14,671,282
	7,261,992	14,671,282	-	21,933,274
30.09.2023				
<u>Financial assets at FVTPL:</u>				
- Quoted equity securities - local	9,536,517	-	-	9,536,517
- Quoted collective investment scheme - foreign	-	-	-	-
- Unquoted fixed income securities - local	-	24,745,880	-	24,745,880
	9,536,517	24,745,880	-	34,282,397

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities and listed collective investment schemes. 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 unquoted fixed income securities and derivatives. 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 are stated in Note 2(b).

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

4. INTEREST INCOME FROM FINANCIAL ASSETS MEASURED AT AMORTISED COST

	2024 RM	2023 RM
Interest income from:		
- Deposits with licensed financial institutions	123,888	43,166
- Auto-sweep facility bank account	338	505
	<u>124,226</u>	<u>43,671</u>

5. MANAGEMENT FEE

In accordance with Division 13.1 of the Deed, the Manager is entitled to a management fee of up to 1.50% per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 31 March 2024, the management fee is recognised at an average rate of 1.50% (2023: 1.50%) per annum.

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

6. TRUSTEE'S FEE

In accordance with Division 13.2 of the Deed, the Trustee is entitled to a fee not exceeding 0.05% subject to a minimum of RM9,000 per annum (excluding custodian fee and charges) calculated daily based on the net asset value of the Fund.

For the financial period ended 31 March 2024, the Trustee's fee is recognised at a rate of 0.05% (2023: 0.05%) per annum.

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

7. TAXATION

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

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

	2024 RM	2023 RM
Profit before taxation	458,159	1,607,146
Taxation at Malaysian statutory rate of 24% (2023: 24%)	109,958	385,715
Tax effects of:		
Investment income not subject to tax	(178,803)	(501,478)
Expenses not deductible for tax purposes	9,773	17,609
Restriction on tax deductible expenses for unit trust fund	59,072	98,154
Taxation	-	-

8. CASH AND CASH EQUIVALENTS

	31.03.2024 RM	30.09.2023 RM
Deposits with licensed financial institutions	7,393,823	2,084,365
Cash at banks	20,099	20,277
	7,413,922	2,104,642

The weighted average effective interest rates per annum are as follows:

	31.03.2024 %	30.09.2023 %
Deposits with licensed financial institutions	3.00	3.20

Deposits with licensed financial institutions have an average remaining maturity of 1 day (30.09.2023: 2 days).

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

	31.03.2024 RM	30.09.2023 RM
<u>Financial assets at FVTPL:</u>		
- Quoted equity securities - local	7,261,992	9,536,517
- Quoted collective investment scheme - foreign	-	-
- Unquoted fixed income securities - local	14,671,282	24,745,880
	<u>21,933,274</u>	<u>34,282,397</u>
	2024 RM	2023 RM
<u>Net gain on financial assets at FVTPL:</u>		
Realised loss on disposals	(1,864,211)	(1,429,831)
Changes in unrealised fair values	2,069,257	2,614,936
	<u>205,046</u>	<u>1,185,105</u>

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 - LOCAL				
<u>Main Market</u>				
<u>Consumer Products & Services</u>				
Focus Point Holdings Berhad	399,560	356,607	279,692	0.96
<u>Energy</u>				
Bumi Armada Berhad	2,000,000	1,088,800	1,160,000	3.96
<u>Financial Services</u>				
AMMB Holdings Berhad	200,000	836,480	838,000	2.86
<u>Property</u>				
Guocoland (Malaysia) Berhad	440,000	320,716	343,200	1.17
<u>Technology</u>				
Genetec Technology Berhad*	362,000	1,048,787	742,100	2.54
Inari Amertron Berhad	200,000	793,495	646,000	2.21
Malaysian Pacific Industries Bhd	39,000	1,939,194	1,209,000	4.13
	<u>601,000</u>	<u>3,781,476</u>	<u>2,597,100</u>	<u>8.88</u>
<u>Telecommunications & Media</u>				
Telekom Malaysia Berhad	150,000	867,855	906,000	3.10

	Quantity/ Normal value units/RM	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>Utilities</u>				
Tenaga Nasional Berhad	100,000	1,033,390	1,138,000	3.89
TOTAL QUOTED EQUITY SECURITIES - LOCAL	3,890,560	8,285,324	7,261,992	24.82
QUOTED COLLECTIVE INVESTMENT SCHEME - FOREIGN				
Singapore				
<u>Real Estate Investment Trust</u>				
Eagle Hospitality Trust ♦	4,800,000	-	-	-
TOTAL QUOTED COLLECTIVE INVESTMENT SCHEME - FOREIGN	4,800,000	-	-	-
UNQUOTED FIXED INCOME SECURITIES - LOCAL				
<u>Corporate Sukuk</u>				
5.35% Grand Sepadu (NK) Sdn Bhd (AA-) 11/06/2027 - Series 3	5,000,000	5,125,827	5,172,582	17.68
4.32% RHB Islamic Bank Berhad (AA2) 21/05/2024 21/05/2029 - Series 3	4,000,000	4,062,492	4,065,732	13.89
	9,000,000	9,188,319	9,238,314	31.57
<u>Government Investment Issues</u>				
4.638% Government of Malaysia 15/11/2049 - Murabahah	5,000,000	5,863,048	5,432,968	18.56
TOTAL UNQUOTED FIXED INCOME SECURITIES - LOCAL	14,000,000	15,051,367	14,671,282	50.13
TOTAL INVESTMENTS		23,336,691	21,933,274	74.95
UNREALISED LOSS ON FINANCIAL ASSETS AT FVTPL		(1,403,417)		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		21,933,274		

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

	Quantity units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EQUITY SECURITIES - LOCAL				
<u>Main Market</u>				
<u>Consumer Products & Services</u>				
Focus Point Holdings Berhad	399,560	356,607	311,657	0.86
<u>Energy</u>				
Bumi Armada Berhad	2,000,000	1,088,800	1,130,000	3.11
<u>Industrial Products & Services</u>				
Kelington Group Berhad	400,000	613,440	600,000	1.65
V.S. Industry Berhad	520,000	512,192	530,400	1.46
	920,000	1,125,632	1,130,400	3.11
<u>Property</u>				
Guocoland (Malaysia) Berhad	440,000	320,716	321,200	0.89
<u>Technology</u>				
D & O Green Technologies Berhad	300,000	1,740,380	1,023,000	2.82
Frontken Corporation Berhad	316,000	1,042,737	995,400	2.74
Inari Amertron Berhad	200,000	793,495	580,000	1.60
Malaysian Pacific Industries Bhd	39,000	1,939,194	1,070,940	2.95
Pentamaster Corporation Berhad	203,000	1,033,493	1,051,540	2.90
	1,058,000	6,549,299	4,720,880	13.01
<u>Telecommunications & Media</u>				
Media Chinese International Limited ✓	1,000,000	183,063	150,000	0.41
<u>ACE Market</u>				
<u>Technology</u>				
Genetec Technology Berhad*	362,000	1,048,786	865,180	2.39
LGMS Berhad	840,000	1,070,328	907,200	2.50
	1,202,000	2,119,114	1,772,380	4.89
TOTAL QUOTED EQUITY SECURITIES - LOCAL	7,019,560	11,743,231	9,536,517	26.28
QUOTED COLLECTIVE INVESTMENT SCHEME - FOREIGN				
Singapore				
<u>Real Estate Investment Trust</u>				
Eagle Hospitality Trust ♦	4,800,000	-	-	-
TOTAL QUOTED COLLECTIVE INVESTMENT SCHEME - FOREIGN	4,800,000	-	-	-

	Nominal value RM	Aggregate cost RM	Fair value RM	Percentage of net asset value %
UNQUOTED FIXED INCOME SECURITIES - LOCAL				
<u>Corporate Sukuk</u>				
5.35% Grand Sepadu (NK) Sdn Bhd (AA-) 11/06/2027 - Series 3	5,000,000	5,131,391	5,181,599	14.28
4.32% RHB Islamic Bank Berhad (AA2) 21/05/2024 21/05/2029 - Series 3	4,000,000	4,062,492	4,073,612	11.23
	<u>9,000,000</u>	<u>9,193,883</u>	<u>9,255,211</u>	<u>25.51</u>
<u>Private Debt Securities</u>				
4.88% CIMB Group Holdings Berhad (AA) 13/09/2024 13/09/2029 - Tranche 4	5,000,000	5,074,379	5,052,183	13.92
<u>Government Investment Issues</u>				
4.638% Government of Malaysia 15/11/2049 - Murabahah	10,000,000	11,743,578	10,438,486	28.76
TOTAL UNQUOTED FIXED INCOME SECURITIES - LOCAL	<u>24,000,000</u>	<u>26,011,840</u>	<u>24,745,880</u>	<u>68.19</u>
TOTAL INVESTMENTS		37,755,071	<u>34,282,397</u>	<u>94.47</u>
UNREALISED LOSS ON FINANCIAL ASSETS AT FVTPL		<u>(3,472,674)</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL			<u>34,282,397</u>	

√ The Company is the first entity dual-listed on The Stock Exchange of Hong Kong Limited and Bursa Malaysia Securities Berhad.

◆ Eagle Hospitality Trust was suspended on 24 March 2020 after the company requested for a voluntary suspension of its shares from trading on the Singapore Stock Exchange ("SSE") Listing under Rule 1302. The United States Bankruptcy Court has entered an order confirming the Chapter 11 plan to liquidate entities of troubled Eagle Hospitality Trust (EHT). Under Chapter 11 of the process, it is unlikely the claims for unsecured creditors will be satisfied in full. Taking into consideration of the above, the Manager decided to write-off the investments.

* Genetec Technology Berhad had transfer of listing from ACE market to main market of Bursa Malaysia Securities Berhad on 27 October 2023.

Note: Certain unquoted fixed income securities may have call date and it's presented as "call date | maturity date".

10. UNITS IN CIRCULATION

	01.10.2023 to 31.03.2024	01.10.2022 to 31.09.2023
	No. of units	No. of units
At the beginning of the financial period/year	78,032,057	129,529,587
Add: Creation of units arising from applications during the financial period/year	14,612	3,542
Less: Cancellation of units during the financial period/year	<u>(16,150,804)</u>	<u>(51,501,072)</u>
At the end of the financial period/year	<u><u>61,895,865</u></u>	<u><u>78,032,057</u></u>

11. TOTAL EXPENSE RATIO ("TER")

	2024	2023
	%	%
TER (annualised)	<u><u>1.63</u></u>	<u><u>1.60</u></u>

Total expense ratio includes management fee, Trustee's fee, auditors' remuneration, tax agent's fee 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:

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

Where;

- A = Management fee
- B = Trustee's fee
- C = Auditors' remuneration
- D = Tax agent's fee
- E = Custodian fees
- F = Other expenses
- 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 RM31,423,039 (2023: RM53,446,562).

12. PORTFOLIO TURNOVER RATIO ("PTR")

	2024 Times	2023 Times
PTR	0.32	0.25

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisitions for the financial period} + \text{total disposals for the financial period}) / 2}{\text{Average net asset value of the Fund for the financial period calculated on a daily basis}}$$

Where; total acquisitions for the financial period
= RM2,737,725 (2023: RM7,141,784)
total disposals for the financial period
= RM17,270,966 (2023: RM19,940,517)

13. 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 31 March 2024 and 30 September 2023.

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.

	31.03.2024	30.09.2023
	RM	RM
<u>Related party balances</u>		
Cash at bank:		
- Hong Leong Bank Berhad	20,099	20,277
Deposits with licensed financial institutions:		
- Hong Leong Bank Berhad	3,492,861	2,084,365
	<u>3,512,960</u>	<u>2,104,642</u>

	2024	2023
	RM	RM
<u>Related party transactions</u>		
Interest income from deposits with licensed financial institutions:		
- Hong Leong Bank Berhad	<u>63,378</u>	<u>28,316</u>
Interest income from auto-sweep facility bank account:		
- Hong Leong Bank Berhad	<u>338</u>	<u>505</u>
Dividend income from quoted equity securities:		
- Hong Leong Bank Berhad	<u>-</u>	<u>81,400</u>
Purchase of quoted equity securities:		
- Hong Leong Investment Bank Berhad	<u>1,710,812</u>	<u>1,343,879</u>
Disposal of quoted equity securities:		
- Hong Leong Investment Bank Berhad	<u>2,236,554</u>	<u>1,854,981</u>
Disposal of unquoted fixed income securities:		
- Hong Leong Bank Berhad	<u>5,059,734</u>	<u>-</u>

14. TRANSACTIONS WITH BROKERS/DEALERS

Detail of transactions with brokers/dealers are as follows:

	Values of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage fees %
2024				
CIMB Islamic Bank Berhad	5,161,436	28.63	-	-
Hong Leong Bank Berhad*	5,059,734	28.07	-	-
Hong Leong Investment Bank Berhad*	3,947,366	21.90	9,874	50.54
JP Morgan Securities (Malaysia) Sdn Bhd	1,249,777	6.93	3,136	16.05
RHB Investment Bank Berhad	1,037,283	5.75	2,583	13.22
Phillip Capital Sdn Bhd	738,647	4.10	1,854	9.49
CLSA Securities Malaysia Sdn Bhd	375,809	2.09	943	4.83
Nomura Securities Malaysia Sdn Bhd	321,703	1.78	807	4.13
Kenanga Investment Bank Berhad	134,885	0.75	339	1.74
	<u>18,026,640</u>	<u>100.00</u>	<u>19,536</u>	<u>100.00</u>
2023				
CIMB Islamic Bank Berhad	5,095,237	20.00	-	-
CIMB Bank Berhad	4,931,295	19.36	-	-
Nomura Securities Malaysia Sdn Bhd	4,480,135	17.60	11,233	29.10
Hong Leong Investment Bank Berhad*	3,198,860	12.56	8,003	20.73
CLSA Securities Malaysia Sdn Bhd	2,215,793	8.70	5,534	14.33
UOB Kay Hian Securities (M) Sdn Bhd	2,208,285	8.67	5,521	14.30
Credit Suisse Securities (Malaysia) Sdn Bhd	1,046,656	4.11	2,607	6.75
CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Credit Securities Sdn Bhd)	1,037,387	4.07	2,584	6.69
JP Morgan Securities (Malaysia) Sdn Bhd	640,376	2.51	1,594	4.13
Public Investment Bank Berhad	616,440	2.42	1,535	3.97
	<u>25,470,464</u>	<u>100.00</u>	<u>38,611</u>	<u>100.00</u>

* Transactions with brokers/dealers related to the Manager.

The Manager is of the opinion that all transactions with the related companies have been entered into at agreed terms between the related parties

Performance Data

A (i) Portfolio Compositions:

By Sector:

Consumer Products & Services

Energy

Financial Services

Industrial Products & Services

Property

Technology

Telecommunications & Media

Utilities

Corporate Bonds

Government Securities

Collective Investment Schemes

Deposits & Cash Equivalents

By Country:

Malaysia

Singapore

Deposits & Cash Equivalents

- (ii) **Total Net Asset Value** (ex-distribution)
- (iii) **Net Asset Value Per Unit** (ex-distribution)
Units in Circulation (ex-distribution)
- (iv) **Highest /Lowest NAV Per Unit** Highest NAV Per Unit
(ex-distribution) Lowest NAV Per Unit
- (v) **Total Return of the Fund***
- Capital Growth
- Income Distribution
- (vi) **The distribution (gross) is made out of:-**
- The Fund's Capital
- The Fund's Income
- Total Distribution Amount
- The Fund's Capital (% of Total Distribution Amount)
- The Fund's Income (% of Total Distribution Amount)
- (vii) **Distribution Per Unit** Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit
- Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Financial Period 30/09/2023– 31/03/2024 %	Financial Year 30/09/2022– 30/09/2023 %	Financial Year 30/09/2021– 30/09/2022 %	Financial Year 30/09/2020– 30/09/2021 %
0.96	0.86	-	9.69
3.96	3.11	0.66	2.56
2.86	-	9.46	6.32
-	3.11	2.34	0.77
1.17	0.89	0.49	-
8.88	17.90	6.29	1.72
3.10	0.41	0.27	1.49
3.89	-	-	-
31.57	39.43	34.78	51.44
18.56	28.76	41.91	22.22
-	-	-	3.67
25.05	5.53	3.80	0.12
74.95	94.47	96.20	96.64
-	-	-	3.24
25.05	5.53	3.80	0.12
RM29,263,549	RM36,290,642	RM58,669,936	RM185,835,794
RM0.4727	RM0.4651	RM0.4529	RM0.4799
61,895,865	78,032,057	129,529,587	387,223,582
RM0.4728	RM0.4747	RM0.4810	RM0.4877
RM0.4580	RM0.4497	RM0.4508	RM0.4580
1.63%	2.69%	-5.41%	6.50%
1.63%	2.69%	-5.63%	3.58%
-	-	0.22%	2.92%
-	-	0.1100 sen/unit	0.0000 sen/unit
-	-	0.0000 sen/unit	1.3200 sen/unit
-	-	0.1100 sen/unit	1.3200 sen/unit
-	-	100%	0%
-	-	0%	100%
-	-	-	-
-	-	0.1100 sen/unit	0.1100 sen/unit
-	-	0.1100 sen/unit	0.1100 sen/unit
-	-	20/10/2021	20/10/2020
-	-	RM0.4799	RM0.4654
-	-	RM0.4788	RM0.4643
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	20/11/2020
-	-	-	RM0.4708
-	-	-	RM0.4697

Performance Data

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Financial Period 30/09/2023– 31/03/2024 %	Financial Year 30/09/2022– 30/09/2023 %	Financial Year 30/09/2021– 30/09/2022 %	Financial Year 30/09/2020– 30/09/2021 %
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	21/12/2020
-	-	-	RM0.4747
-	-	-	RM0.4736
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	20/01/2021
-	-	-	RM0.4750
-	-	-	RM0.4739
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	22/02/2021
-	-	-	RM0.4804
-	-	-	RM0.4793
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	22/03/2021
-	-	-	RM0.4722
-	-	-	RM0.4711
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	20/04/2021
-	-	-	RM0.4763
-	-	-	RM0.4752
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	20/05/2021
-	-	-	RM0.4715
-	-	-	RM0.4704
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	21/06/2021
-	-	-	RM0.4771
-	-	-	RM0.4760
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	21/07/2021
-	-	-	RM0.4816
-	-	-	RM0.4805

Performance Data

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

Additional Units
Distribution (Gross)
Distribution (Net)
Distribution Date
Cum-Distribution NAV/Unit
Ex-Distribution NAV/Unit

(viii) Total Expense Ratio (TER)

(ix) Portfolio Turnover Ratio (PTR) (times)

**B Average Total Return, NAV Per Unit-to-NAV Per Unit basis
(as at 31/03/2024)***

- (i) One year
- (ii) Three years
- (iii) Five years

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

The PTR decreased by 0.08 times (20%) to 0.32 times for the financial period from 1 October 2023 to 31 March 2024 versus 0.40 times for the financial year ended 30 September 2023 mainly due to lower level of rebalancing activities undertaken by the Fund and increased by 0.07 times (28%) as compared to 0.25 times for the financial period from 1 October 2022 to 31 March 2023 mainly due to higher level of rebalancing activities undertaken by the Fund.

Financial Period 30/09/2023– 31/03/2024 %	Financial Year 30/09/2022– 30/09/2023 %	Financial Year 30/09/2021– 30/09/2022 %	Financial Year 30/09/2020– 30/09/2021 %
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	20/08/2021
-	-	-	RM0.4816
-	-	-	RM0.4805
-	-	-	-
-	-	-	0.1100 sen/unit
-	-	-	0.1100 sen/unit
-	-	-	20/09/2021
-	-	-	RM0.4809
-	-	-	RM0.4798
1.63%	1.60%	0.90%	0.95%
0.32#	0.40	0.89	0.78
1.39%			
0.69%			
0.36%			

Corporate Information

Manager

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

Registered Office

Level 30, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

Business Office

Level 18, Block B, Plaza Zurich
No. 12, Jalan Gelenggang
Bukit Damansara
50490 Kuala Lumpur

Board of Directors

Ms. Lee Jim Leng
Mr. Hoo See Kheng
YBhg Dato' Abdul Majit bin Ahmad Khan
YM Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin

Executive Director/Chief Executive Officer

Mr. Hoo See Kheng

Trustee

CIMB Commerce Trustee Berhad [199401027349 (313031-A)]

Auditor

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146)

Distributors

Hong Leong Bank Berhad
Registered Independent Tied Agents with FIMM

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