

Hong Leong Asia Pacific Equity Fund

Semi-Annual Report

Financial Period Ended 30 April 2024

2023/2024

Unaudited



HONG LEONG ASIA PACIFIC EQUITY FUND

Contents

	Page
Manager's Review and Report	1-7
Statement by the Manager	8
Trustee's Report	9
Condensed Statement of Comprehensive Income	10
Condensed Statement of Financial Position	11
Condensed Statement of Changes in Equity	12
Condensed Statement of Cash Flows	13
Notes to the Condensed Financial Statements	14-43
Performance Data	44-47
Corporate Information	48
Corporate Directory	49

Manager's Review and Report

I. FUND INFORMATION

Fund Name

Hong Leong Asia Pacific Equity Fund ("HLAPEF" or "the Fund")

Fund Category

Equity

Fund Type

Growth

Investment Objective

The Fund aims to achieve capital growth over the medium to long-term by investing primarily in equities listed in the Asia Pacific ex Japan region.

Duration of the Fund and its termination date, where applicable

Not Applicable

Benchmark

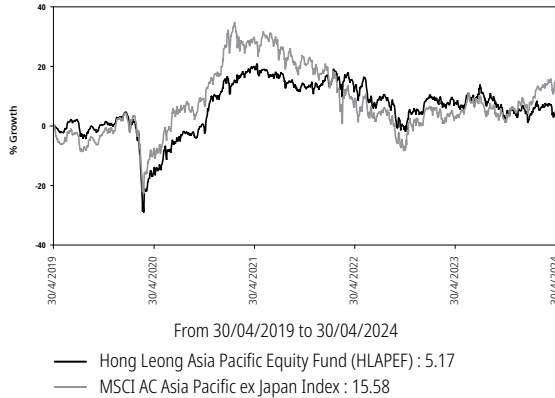
MSCI AC Asia Pacific ex Japan Index

Distribution Policy

The Fund intends to provide Unit holder with medium to long-term capital growth. As such, income distributions will be incidental to the overall capital growth objective and a substantial portion of the income returns from investments will be reinvested. The Fund may also declare distributions in the form of additional Units to its Unit holders.

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 HLAPEF 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 November 2023 to 30 April 2024.

The Fund posted a return of 3.25% (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 MSCI AC Asia-Pacific ex Japan Index registered a return of 14.43% (in Malaysian Ringgit terms).

For the five-year financial periods ended 30 April 2024, the Fund registered a return of 5.17% compared to the benchmark's return of 15.58% while distributing a total gross income of 12.0000 sen per unit (net income of 11.2951 sen per unit).

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

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Launch
HLAPEF Return (%)	1.43	3.25	-2.49	-11.91	5.17	4.57
Benchmark (%)	8.04	14.43	12.08	-9.82	15.58	21.11

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

	30-Apr-24	31-Oct-23	Return (%)
NAV Per Unit	RM0.9307	RM0.9014	3.25
Benchmark	2,572.59	2,248.25	14.43
vs Benchmark (%)	-	-	-11.18

Table 3: Financial Highlights

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

	30-Apr-24 (RM)	31-Oct-23 (RM)	Change (%)
Unit Holders' Capital	4,610,403	6,150,466	(25.04)
Retained Earnings	2,040,139	1,781,403	14.52
Net Asset Value	6,650,542	7,931,869	(16.15)
Units in Circulation	7,146,093	8,799,450	(18.79)

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 April and financial years ended 31 October

	Financial Period 2024	Financial Year 2023	Financial Year 2022	Financial Year 2021
Highest NAV Per Unit (RM)	0.9597	1.0430	1.1851	1.2025
Lowest NAV Per Unit (RM)	0.8945	0.9014	0.9207	0.9750
Capital Growth (%)	3.25	-2.10	-18.00	15.87
Income Distribution (%)	-	6.00	4.81	-
Total Return (%)	3.25	3.90	-13.19	15.87

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 HLAPEF reinvested.

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

	1 Year	3 Years	5 Years
Average Total Return (%)	-2.49	-3.97	1.03

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 HLAPEF reinvested.

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

Financial Year/Period	2023	2022	2021	2020	2019
Annual Total Return (%)	3.90	-13.19	15.87	-2.94	-0.16*

* The figure shown is for the period since Fund launch (25 March 2019).

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 HLAPEF reinvested.

III. INVESTMENT PORTFOLIO

Chart 2: Asset Allocation - November 2023 to April 2024

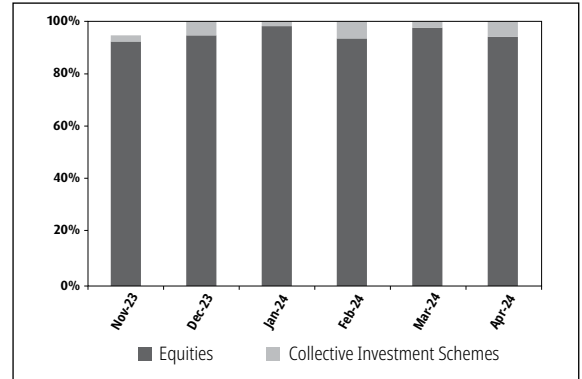


Chart 3: Sector Allocation as at 30 April 2024

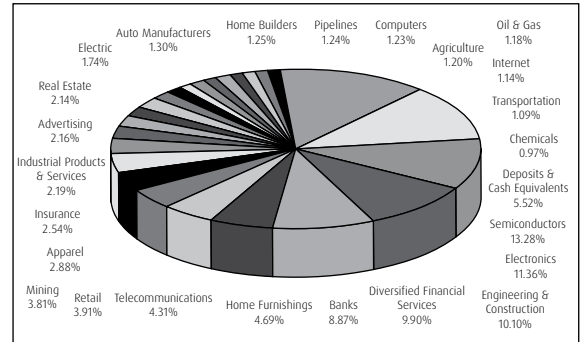
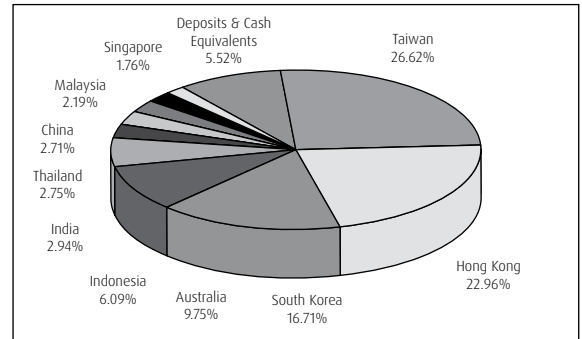


Chart 4: Geographical Allocation as at 30 April 2024



Strategies employed by the Fund during the period under review

During the financial period under review, the Fund maintained a strategy that focused on bottom-up stock pick based on:- (1) long term capability of cash flow generation; (2) healthy balance sheet; and (3) reasonable valuations.

An explanation on the differences in portfolio composition

During the financial period under review, the Fund increased exposure to engineering and construction sector based on the expectation of rising capital expenditure by semiconductor industry. The Fund reduced exposure to real estate sector in China, due to sluggish property sales.

By country, the Fund increased exposure to Taiwan given its position as a key beneficiary of rising demand of semiconductor and technology hardware for Artificial Intelligence (AI). Lowered exposure to China due to weak property market.

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

During the financial period under review, Asia Pacific ex Japan markets gained mainly due to:- (1) surging demand of semiconductor and technology hardware for AI servers; (2) further policy support to address economy slowdown in China; and (3) destocking of consumer goods in United States (US) almost came to an end.

Taiwan was the key outperformer due to:- (1) continuous increase in demand of semiconductor and technology hardware driven by AI server; and (2) restocking of consumer goods such as apparel and bicycles resumed that benefit Original Equipment Manufacturers (OEMs).

V. FUTURE PROSPECTS AND PROPOSED STRATEGIES

We remain cautiously optimistic to Asia equity market over medium to long term. Despite potential short-term hiccups of equity market due to recent rebound in US long term interest rate, export sector in Asia should continue to benefit from strong US Dollar. Investment in AI remains a key earnings driver to technology sector in Asia given the scope of AI could extend further from AI server to AI PC and AI smartphone.

We recognize cash flow based valuation is particularly important in current environment hence we continue focusing on:- (1) sustainability of cash earnings growth; (2) shareholder return policy; and (3) valuations.

VI. SOFT COMMISSIONS

The Manager may receive 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.

During the financial period under review, the Fund has not received goods or services by way of soft commissions.

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, Lee Jim Leng, 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 10 to 43 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 April 2024 and of its financial performance, changes in equity and cash flows for the financial period ended 30 April 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))

LEE JIM LENG

Chairman/Non-Executive Director

Kuala Lumpur
19 June 2024

TRUSTEE’S REPORT

TO THE UNIT HOLDERS OF HONG LEONG ASIA PACIFIC EQUITY FUND (“Fund”)

We have acted as Trustee of the Fund for the financial period ended 30 April 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
19 June 2024

CONDENSED STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2024

	Note	2024 RM	2023 RM
INVESTMENT INCOME			
Interest income from financial assets measured at amortised cost		5,105	5,840
Dividend income		117,123	206,352
Net gain on financial assets at fair value through profit or loss ("FVTPL")	8	738,882	1,191,827
Net loss on derivatives	9	(444,440)	(217,642)
Net foreign currency exchange loss		(12,535)	(32,763)
		<u>404,135</u>	<u>1,153,614</u>
EXPENDITURE			
Management fee	4	(66,124)	(90,710)
Trustee's fee	5	(2,021)	(2,772)
Auditors' remuneration		(5,618)	(4,811)
Tax agent's fee		(11,652)	(15,699)
Custodian fees		(14,849)	(11,937)
Transaction costs		(9,665)	(11,856)
Other expenses		(27,570)	(28,005)
		<u>(137,499)</u>	<u>(165,790)</u>
PROFIT BEFORE TAXATION		266,636	987,824
Taxation	6	(7,900)	(21,791)
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		<u>258,736</u>	<u>966,033</u>
Profit after taxation is made up as follows:			
Realised amount		(548,500)	(532,316)
Unrealised amount		807,236	1,498,349
		<u>258,736</u>	<u>966,033</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 APRIL 2024

	Note	30.04.2024 RM	31.10.2023 RM
ASSETS			
Cash and cash equivalents	7	463,646	856,953
Dividends receivable		23,672	15,221
Financial assets at FVTPL	8	6,283,622	7,184,166
Tax recoverable		15,401	-
TOTAL ASSETS		<u>6,786,341</u>	<u>8,056,340</u>
LIABILITIES			
Amount due to the Manager			
-cancellation of units		54,705	851
-management fee		9,934	12,443
Amount due to the Trustee		303	13,170
Derivatives	9	55,553	68,980
Other payables and accruals		15,304	17,765
Tax payable		-	11,262
TOTAL LIABILITIES		<u>135,799</u>	<u>124,471</u>
NET ASSET VALUE OF THE FUND		<u>6,650,542</u>	<u>7,931,869</u>
EQUITY			
Unit holders' capital		4,610,403	6,150,466
Retained earnings		2,040,139	1,781,403
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>6,650,542</u>	<u>7,931,869</u>
UNITS IN CIRCULATION (UNITS)	10	<u>7,146,093</u>	<u>8,799,450</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.9307</u>	<u>0.9014</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 APRIL 2024

	Unit holders' capital RM	Retained earnings RM	Total RM
Balance as at 1 November 2023	6,150,466	1,781,403	7,931,869
Movement in net asset value:			
Creation of units from applications	133,587	-	133,587
Cancellation of units	(1,673,650)	-	(1,673,650)
Total comprehensive income for the financial period	-	258,736	258,736
Balance as at 30 April 2024	<u>4,610,403</u>	<u>2,040,139</u>	<u>6,650,542</u>
Balance as at 1 November 2022	7,875,793	1,801,845	9,677,638
Movement in net asset value:			
Creation of units from applications	210,140	-	210,140
Cancellation of units	(1,045,960)	-	(1,045,960)
Total comprehensive income for the financial period	-	966,033	966,033
Balance as at 30 April 2023	<u>7,039,973</u>	<u>2,767,878</u>	<u>9,807,851</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 30 APRIL 2024

	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sales of financial assets at FVTPL	2,090,920	2,276,100
Purchase of financial assets at FVTPL	(461,159)	(839,757)
Realised loss on derivatives	(457,867)	(237,439)
Realised foreign exchange differences arising from operating activities	(13,243)	(26,035)
Interest income received from financial assets measured at amortised cost	5,105	5,840
Dividend income received	90,220	164,726
Management fee paid	(68,633)	(91,387)
Trustee's fee paid	(14,888)	(13,793)
Payment for other fees and expenses	(44,142)	(45,200)
Tax paid	(34,563)	(49,830)
Net cash generated from operating activities	<u>1,091,750</u>	<u>1,143,225</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	133,587	210,140
Payments for cancellation of units	(1,619,796)	(1,014,920)
Net cash used in financing activities	<u>(1,486,209)</u>	<u>(804,780)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(394,459)	338,445
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	1,152	(6,574)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>856,953</u>	<u>865,867</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>463,646</u>	<u>1,197,738</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 30 APRIL 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Hong Leong Asia Pacific Equity Fund (“the Fund”) was constituted pursuant to the execution of a Deed dated 17 December 2018 and a Supplemental Deed dated 5 July 2022 (“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 achieve capital growth over the medium to long-term by investing primarily in equities listed in the Asia Pacific ex Japan region.

The Fund seeks to achieve its investment objective by investing primarily in equities which are listed and/or traded in the Asia Pacific ex Japan region. The Fund may also invest in equities of companies that are listed and/or traded outside the Asia Pacific ex Japan region which have substantial business in the Asia Pacific ex Japan region. These companies are defined as companies that have at least 50% of its revenues or profits derived from the Asia Pacific ex Japan region. The Fund commenced operations on 25 March 2019 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.

Sumitomo Mitsui DS Asset Management (Hong Kong) Limited is the external fund manager appointed for Hong Leong Asia Pacific Equity Fund. The effective date for the appointment is at 18 March 2019.

The financial statements were authorised for issue by the Manager on 19 June 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 October 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.

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 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 derivatives - unquoted forward currency contracts is measured by the net settlement as per the forward currency contracts.

(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 favorable, 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 unfavorable.

The Fund's derivatives comprise unquoted forward currency contracts. Derivatives 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 statements 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/ liabilities at FVTPL RM	Financial assets/ liabilities at amortised cost RM	Total RM
30.04.2024			
<u>Financial assets</u>			
Cash and cash equivalents (Note 7)	-	463,646	463,646
Dividends receivable	-	23,672	23,672
Financial assets at FVTPL (Note 8)	6,283,622	-	6,283,622
	<u>6,283,622</u>	<u>487,318</u>	<u>6,770,940</u>
<u>Financial liabilities</u>			
Amount due to the Manager			
-cancellation of units	-	54,705	54,705
-management fee	-	9,934	9,934
Amount due to the Trustee	-	303	303
Derivatives (Note 9)	55,553	-	55,553
Other payables and accruals	-	15,304	15,304
	<u>55,553</u>	<u>80,246</u>	<u>135,799</u>
31.10.2023			
<u>Financial assets</u>			
Cash and cash equivalents (Note 7)	-	856,953	856,953
Dividends receivable	-	15,221	15,221
Financial assets at FVTPL (Note 8)	7,184,166	-	7,184,166
	<u>7,184,166</u>	<u>872,174</u>	<u>8,056,340</u>
<u>Financial liabilities</u>			
Amount due to the Manager			
-cancellation of units	-	851	851
-management fee	-	12,443	12,443
Amount due to the Trustee	-	13,170	13,170
Derivatives (Note 9)	68,980	-	68,980
Other payables and accruals	-	17,765	17,765
	<u>68,980</u>	<u>44,229</u>	<u>113,209</u>

All liabilities except derivatives 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 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 and liabilities (by class) measured at fair value:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
30.04.2024				
<u>Financial assets at FVTPL:</u>				
- Quoted equity security				
- local	145,728	-	-	145,728
- Quoted equity securities				
- foreign	6,137,894	-	-	6,137,894
	<u>6,283,622</u>	<u>-</u>	<u>-</u>	<u>6,283,622</u>
<u>Financial liabilities:</u>				
- Derivatives	-	(55,553)	-	(55,553)
31.10.2023				
<u>Financial assets at FVTPL:</u>				
- Quoted equity security				
- local	126,960	-	-	126,960
- Quoted equity securities				
- foreign	6,887,787	-	-	6,887,787
- Quoted collective investment schemes				
- foreign	169,419	-	-	169,419
	<u>7,184,166</u>	<u>-</u>	<u>-</u>	<u>7,184,166</u>
<u>Financial liabilities:</u>				
- Derivatives	-	(68,980)	-	(68,980)

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 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 liabilities are stated in Note 2(b) and 2(k).

- (ii) The carrying values of financial assets (other than financial assets at FVTPL) and financial liabilities (other than derivatives) 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 3.00% per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 30 April 2024, the management fee is recognised at a rate of 1.80% (2023: 1.80%) 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 0.055% 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 April 2024, the Trustee's fee is recognised at a rate of 0.055% (2023: 0.055%) 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	7,900	21,791

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	266,636	987,824
Taxation at Malaysian statutory rate of 24% (2023: 24%)	63,993	237,078
Tax effects of:		
Investment income not subject to tax	(74,587)	(229,935)
Expenses not deductible for tax purposes	1,039	(5,281)
Restriction on tax deductible expenses for unit trust fund	17,455	19,929
Taxation	7,900	21,791

7. CASH AND CASH EQUIVALENTS

	30.04.2024 RM	31.10.2023 RM
Deposits with licensed financial institutions	314,026	701,058
Cash at banks	149,620	155,895
	463,646	856,953

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

	30.04.2024 %	31.10.2023 %
Deposits with licensed financial institutions	3.00	3.00

Deposits with licensed financial institutions for financial period ended 30 April 2024 have an average remaining maturity of 2 days (31.10.2023: 1 day).

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

	30.04.2024 RM	31.10.2023 RM
Financial assets at FVTPL:		
Quoted equity security - local	145,728	126,960
Quoted equity securities - foreign	6,137,894	6,887,787
Quoted collective investment schemes - foreign	-	169,419
	6,283,622	7,184,166
Net gain on financial assets at FVTPL:		
Realised loss on disposals	(54,219)	(293,453)
Changes in unrealised fair values	793,101	1,485,280
	738,882	1,191,827

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

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EQUITY SECURITY - LOCAL				
<u>Industrial Products & Services</u>				
Uchi Technologies Berhad	36,800	101,644	145,728	2.19
TOTAL QUOTED EQUITY SECURITY - LOCAL	36,800	101,644	145,728	2.19
QUOTED EQUITY SECURITIES - FOREIGN				
Australia				
<u>Banks</u>				
Commonwealth Bank of Australia	300	64,553	106,416	1.60
Macquarie Group Limited	220	79,913	127,727	1.92
	520	144,466	234,143	3.52
<u>Mining</u>				
BHP Group Limited	1,900	185,771	253,193	3.81
<u>Oil & Gas</u>				
Woodside Energy Group Ltd.	900	90,119	78,683	1.18
<u>Pipelines</u>				
APA Group	3,200	82,400	82,452	1.24
Total Australia	6,520	502,756	648,471	9.75

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
China				
<u>Home Furnishings</u>				
Gree Electric Appliances, Inc. of Zhuhai*	6,500	238,809	180,292	2.71
Total China	6,500	238,809	180,292	2.71
Hong Kong				
<u>Apparel</u>				
Shenzhen International Group Holdings Limited	2,000	76,176	95,388	1.44
Stella International Holdings	11,000	52,461	95,937	1.44
	13,000	128,637	191,325	2.88
<u>Banks</u>				
China Merchants Bank Company Limited#	8,000	162,913	167,601	2.52
<u>Diversified Financial Services</u>				
Far East Horizon Limited	44,000	187,292	156,183	2.35
<u>Engineering & Construction</u>				
China Communications Services Corporation Limited#	66,000	98,218	150,950	2.27
China State Construction International Holdings Limited	40,000	192,419	201,999	3.04
CK Infrastructure Holdings Limited	5,000	131,611	135,093	2.03
	111,000	422,248	488,042	7.34
<u>Insurance</u>				
China Pacific Insurance (Group) Co., Ltd.#	16,000	183,012	168,625	2.54
<u>Internet</u>				
Sunevision Holdings Limited	50,000	139,078	75,933	1.14
<u>Retail</u>				
Pou Sheng International (Holdings) Limited	250,000	96,210	100,633	1.51
<u>Telecommunications</u>				
HKT Trust & HKT Ltd.	20,000	101,195	105,635	1.59
<u>Transportation</u>				
SITC International Holdings Company Limited	7,000	59,688	72,749	1.09
Total Hong Kong	519,000	1,480,273	1,526,726	22.96
Indonesia				
<u>Banks</u>				
PT Bank Rakyat Indonesia Persero Tbk	130,000	163,005	188,357	2.83
<u>Real Estate</u>				
PT Puradelta Lestari Tbk	3,000,000	169,666	142,544	2.14
<u>Telecommunications</u>				
PT Telkom Indonesia (Persero) Tbk	80,000	99,097	74,381	1.12
Total Indonesia	3,210,000	431,768	405,282	6.09

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
India				
<u>Agriculture</u>				
ITC Limited	3,200	83,607	79,741	1.20
<u>Electric</u>				
Mahanagar Gas Limited	1,400	82,776	115,596	1.74
Total India	4,600	166,383	195,337	2.94
South Korea				
<u>Advertising</u>				
CHEIL Worldwide Inc.	2,200	203,441	143,644	2.16
<u>Auto Manufacturers</u>				
Hyundai Motor Co.	100	87,164	86,620	1.30
<u>Chemicals</u>				
LG Chem Ltd - Preference Shares	70	95,799	64,741	0.97
<u>Computers</u>				
LG Corp.	300	67,322	82,203	1.23
<u>Diversified Financial Services</u>				
KB Financial Group Inc.	1,200	162,353	313,075	4.71
<u>Semiconductors</u>				
Samsung Electronics Co., Ltd.	1,400	195,575	315,007	4.74
<u>Telecommunications</u>				
SK Telecom Co., Ltd.	600	118,083	106,222	1.60
Total South Korea	5,870	929,737	1,111,512	16.71
Singapore				
<u>Electronics</u>				
Venture Corporation Limited	2,300	124,519	116,809	1.76
Total Singapore	2,300	124,519	116,809	1.76
Taiwan				
<u>Diversified Financial Services</u>				
Chailease Holding Company Limited	3,528	108,326	89,096	1.34
<u>Electronics</u>				
Hon Hai Precision Industry Co., Ltd	11,000	176,763	251,223	3.78
Taiwan Union Technology Corporation	10,000	92,367	271,572	4.08
Tripod Technology Corporation	4,000	52,859	115,656	1.74
	25,000	321,989	638,451	9.60
<u>Engineering & Construction</u>				
Acter Group Corp Ltd.	6,000	180,721	183,586	2.76
<u>Home Furnishings</u>				
Lite-On Technology Corporation	9,000	85,776	131,760	1.98
<u>Retail</u>				
Poya International Co., Ltd.	2,182	162,397	159,722	2.40

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>Semiconductors</u>				
ASE Technology Holding Company Limited	6,000	112,911	130,003	1.96
Mediatek Inc.	1,000	88,113	145,229	2.18
Novatek Microelectronics Corporation	2,000	141,636	180,950	2.72
United Microelectronics Corporation	15,000	95,558	111,337	1.68
	24,000	438,218	567,519	8.54
Total Taiwan	69,710	1,297,427	1,770,134	26.62
<u>Thailand</u>				
<u>Diversified Financial Services</u>				
TISCO Financial Group Public Company Limited [^]	8,000	92,781	99,882	1.50
<u>Home Builders</u>				
WHA Corporation Public Company Limited [^]	130,000	90,373	83,449	1.25
Total Thailand	138,000	183,154	183,331	2.75
TOTAL QUOTED EQUITY SECURITIES - FOREIGN	3,962,500	5,354,826	6,137,894	92.29
TOTAL INVESTMENTS	3,999,300	5,456,470	6,283,622	94.48
UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL		827,152		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		6,283,622		

Financial assets at FVTPL as at 31 October 2023 are as detailed below:

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EQUITY SECURITY - LOCAL				
<u>Industrial Products & Services</u>				
Uchi Technologies Berhad	36,800	101,644	126,960	1.60
TOTAL QUOTED EQUITY SECURITY - LOCAL	36,800	101,644	126,960	1.60
QUOTED EQUITY SECURITIES - FOREIGN				
Australia				
<u>Banks</u>				
Commonwealth Bank of Australia	500	107,589	145,516	1.83
Macquarie Group Limited	220	79,912	106,743	1.35
	720	187,501	252,259	3.18
<u>Mining</u>				
BHP Group Limited	2,400	234,658	321,895	4.06

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>Oil & Gas</u>				
Woodside Energy Group Ltd.	1,600	160,212	165,215	2.08
<u>Pipelines</u>				
APA Group	3,200	82,400	79,473	1.00
Total Australia	7,920	664,771	818,842	10.32
China				
<u>Home Furnishings</u>				
Gree Electric Appliances, Inc. of Zhuhai [*]	10,000	367,398	220,779	2.78
Total China	10,000	367,398	220,779	2.78
Hong Kong				
<u>Apparel</u>				
Shenzhou International Group Holdings Limited	4,000	152,351	186,810	2.36
Stella International Holdings	20,000	95,384	107,583	1.36
	24,000	247,735	294,393	3.72
<u>Banks</u>				
China Merchants Bank Company Limited [#]	8,000	162,913	145,066	1.83
<u>Commercial Services</u>				
China Merchants Port Holdings Company Limited	16,000	94,008	96,873	1.22
<u>Diversified Financial Services</u>				
Far East Horizon Limited	44,000	192,942	147,525	1.86
<u>Engineering & Construction</u>				
China Communications Services Corporation Limited [#]	66,000	98,218	128,515	1.62
China State Construction International Holdings Limited	50,000	240,524	254,961	3.21
CK Infrastructure Holdings Limited	5,000	131,611	110,291	1.39
NWS Holdings Limited	13,000	63,141	73,251	0.92
	134,000	533,494	567,018	7.14
<u>Insurance</u>				
China Pacific Insurance (Group) Co., Ltd. [#]	16,000	183,012	187,710	2.37
<u>Internet</u>				
Sunevision Holdings Limited	50,000	139,078	88,537	1.12
<u>Real Estate</u>				
China Resources Land Limited	8,000	143,650	142,632	1.80
Yuexiu Property Company Limited	34,000	161,178	168,408	2.12
	42,000	304,828	311,040	3.92
<u>Retail</u>				
Pou Sheng International (Holdings) Limited	250,000	96,210	101,924	1.29
<u>Transportation</u>				
SITC International Holdings Company Limited	7,000	59,688	51,284	0.65
<u>Water</u>				
Guangdong Investment Limited	36,000	246,778	116,978	1.47
Total Hong Kong	627,000	2,260,686	2,108,348	26.59

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
Indonesia				
<u>Banks</u>				
PT Bank Rakyat Indonesia Persero Tbk	130,000	163,005	193,247	2.44
<u>Real Estate</u>				
PT Puradelta Lestari Tbk	3,000,000	169,666	153,746	1.94
<u>Telecommunications</u>				
PT Telekomunikasi Indonesia (Persero) Tbk	150,000	185,807	156,893	1.98
Total Indonesia	3,280,000	518,478	503,886	6.36
India				
<u>Agriculture</u>				
ITC Limited	3,200	83,607	78,414	0.99
<u>Electric</u>				
Mahanagar Gas Limited	1,400	82,775	82,675	1.04
Total India	4,600	166,382	161,089	2.03
Singapore				
<u>Aerospace/Defense</u>				
Singapore Technologies Engineering Limited	15,000	181,322	195,979	2.47
<u>Electronics</u>				
Venture Corporation Limited	2,300	124,519	93,507	1.18
Total Singapore	17,300	305,841	289,486	3.65
South Korea				
<u>Advertising</u>				
CHEIL Worldwide Inc.	2,200	203,441	153,957	1.94
<u>Chemicals</u>				
LG Chem Ltd - Preference Shares	70	95,799	69,188	0.87
<u>Computers</u>				
LG Corp.	600	134,644	163,218	2.06
<u>Diversified Financial Services</u>				
KB Financial Group Inc.	1,500	202,942	272,206	3.43
<u>Machinery-Diversified</u>				
SFA Engineering Corp.	1,308	189,683	128,361	1.62
<u>Semiconductors</u>				
Samsung Electronics Co., Ltd.	1,800	251,454	339,967	4.29
<u>Telecommunications</u>				
SK Telecom Co., Ltd.	600	118,083	103,914	1.31
Total South Korea	8,078	1,196,046	1,230,811	15.52
Taiwan				
<u>Diversified Financial Services</u>				
Chailease Holding Company Limited	6,528	200,441	168,298	2.12
<u>Electronics</u>				
Hon Hai Precision Industry Co., Ltd.	15,000	241,040	212,638	2.68
Taiwan Union Technology Corporation	10,000	92,367	156,448	1.97
Tripod Technology Corporation	4,000	52,859	96,954	1.22
	29,000	386,266	466,040	5.87

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>Home Furnishing</u>				
Lite-On Technology Corporation	9,000	85,776	132,210	1.67
<u>Retail</u>				
Poya International Co., Ltd.	2,182	162,397	159,467	2.01
<u>Semiconductors</u>				
ASE Technology Holding Company Limited	6,000	112,911	100,039	1.26
Mediatek Inc.	1,000	88,113	123,690	1.56
Novatek Microelectronics Corporation	2,000	141,636	133,532	1.68
United Microelectronics Corporation	25,000	159,264	169,669	2.14
	34,000	501,924	526,930	6.64
Total Taiwan	80,710	1,336,804	1,452,945	18.31
Thailand				
<u>Diversified Financial Services</u>				
TISCO Financial Group Public Company Limited [^]	8,000	92,781	101,601	1.28
Total Thailand	8,000	92,781	101,601	1.28
TOTAL QUOTED EQUITY SECURITIES - FOREIGN				
	4,043,608	6,909,187	6,887,787	86.84
QUOTED COLLECTIVE INVESTMENT SCHEME - FOREIGN				
Singapore				
Keppel DC REIT	28,850	139,284	169,419	2.13
TOTAL QUOTED COLLECTIVE INVESTMENT SCHEME - FOREIGN	28,850	139,284	169,419	2.13
TOTAL INVESTMENTS	4,109,258	7,150,115	7,184,166	90.57
UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL				
			34,051	
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL				
			7,184,166	

* A Shares are shares of mainland China-based companies that trade on the two Chinese Stock Exchanges, the Shanghai Stock Exchange (SSE) and the Shenzhen Stock Exchange (SZSE). These shares are denominated in Renminbi.

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.

[^] NVDR, non-voting depository receipt, is a trading instrument issued by Thai NVDR Company Limited, a subsidiary wholly owned by the Stock Exchange of Thailand (SET). It is a valid security as specified by the United States Securities and Exchange Commission (SEC) and is automatically regarded as a listed security by the SET. The underlying security is a listed security in the SET.

9. DERIVATIVES

Derivatives comprise forward currency contracts. The negative fair value represents the unrealised loss on the revaluation of forward currency at the reporting date. The contract or underlying principal amount of the forward currency contracts and the corresponding gross negative fair value at the end of each reporting date is analysed below:

	30.04.2024 RM	31.10.2023 RM
<u>Derivative liabilities:</u>		
Forward currency contracts	55,553	68,980
	2024 RM	2023 RM
<u>Net loss on derivatives:</u>		
Realised loss on disposals	(457,867)	(237,439)
Changes in unrealised fair values	13,427	19,797
	(444,440)	(217,642)

	Maturity date	Contract or underlying principal amounts	*Fair value RM
30.04.2024			
Australian Dollar	within 1 month	108,000	(1,782)
Hong Kong Dollar	within 1 month	1,378,000	276
New Taiwan Dollar	within 1 month	165,857#	(37,126)
Renminbi	within 1 month	129,000	(155)
Singapore Dollar	within 1 month	17,000	145
South Korean Won	within 1 month	109,424+	(21,361)
Thai Baht	within 1 month	715,000	2,216
United States Dollar	within 1 month	165,857	1,443
United States Dollar	within 1 month	109,424	952
United States Dollar	within 1 month	14,000	(161)
			(55,553)

	Maturity date	Contract or underlying principal amounts	*Fair value RM
31.10.2023			
Australian Dollar	within 1 month	127,000	889
Hong Kong Dollar	within 1 month	1,926,000	(11,749)
New Taiwan Dollar	within 1 month	167,868#	(22,411)
Renminbi	within 1 month	183,000	(915)
Singapore Dollar	within 1 month	73,000	(3,540)
South Korean Won	within 1 month	132,586+	(14,841)
Thai Baht	within 1 month	393,000	(2,004)
United States Dollar	within 1 month	167,868	(7,369)
United States Dollar	within 1 month	132,586	(5,821)
United States Dollar	within 1 month	23,000	(1,219)
			(68,980)

This is the equivalent US Dollar amount used to hedge TWD5,664,000 (31.10.2023: TWD5,900,000).

+ This is the equivalent US Dollar amount used to hedge KRW157,132,993 (31.10.2023: KRW182,968,997).

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

	Receivables RM	Payables RM	Fair value RM	Percentage of net asset value %
30.04.2024				
Hong Leong Bank Berhad	-	(54,030)	(54,030)	0.81
Hong Leong Investment Bank Berhad	-	(1,523)	(1,523)	0.03
	-	(55,553)	(55,553)	0.84
31.10.2023				
Hong Leong Bank Berhad	-	(53,361)	(53,361)	0.67
Hong Leong Investment Bank Berhad	889	(16,508)	(15,619)	0.20
	889	(69,869)	(68,980)	0.87

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.

10. UNITS IN CIRCULATION

	01.11.2023 to 30.04.2024 No. of units	01.11.2022 to 31.10.2023 No. of units
At the beginning of the financial period/year	8,799,450	10,510,640
Add: Creation of units during the financial period/year		
- Arising from applications	141,883	491,818
- Arising from distribution	-	464,988
Less: Cancellation of units during the financial period/year	(1,795,240)	(2,667,996)
At the end of the financial period/year	7,146,093	8,799,450

11. TOTAL EXPENSE RATIO (“TER”)

	2024 %	2023 %
TER (annualised)	2.99	2.63

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:

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

Where;

- A = Management fee
- B = Trustee’s fee
- C = Auditors’ remuneration
- D = Tax agent’s fee
- E = Custodian fees
- F = Other expenses 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 RM7,378,671 (2023: RM10,157,296).

12. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024 Times	2023 Times
PTR	0.18	0.17

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
= RM459,453 (2023: RM836,718)

total disposals for the financial period
= RM2,153,098 (2023: RM2,578,369)

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 30 April 2024 and 31 October 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.

	30.04.2024 RM	31.10.2023 RM
<u>Related party balances</u>		
Derivatives:		
- Hong Leong Bank Berhad	(54,030)	(53,361)
- Hong Leong Investment Bank Berhad	(1,523)	(15,619)
	<u>(55,553)</u>	<u>(68,980)</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				
JP Morgan Securities (Asia Pacific) Limited	763,421	29.91	1,822	25.82
Daiwa Capital Markets Hong Kong Limited	591,056	23.16	1,489	21.10
Merrill Lynch (Asia Pacific) Limited	383,806	15.04	1,316	18.65
Citigroup Global Markets Asia Limited	354,573	13.90	1,375	19.49
Jefferies International Limited	160,059	6.27	320	4.54
Mizuho Securities Asia Limited	138,406	5.42	278	3.94
Instinet Pacific Limited	87,790	3.44	309	4.38
CLSA Limited	72,968	2.86	147	2.08
	<u>2,552,079</u>	<u>100.00</u>	<u>7,056</u>	<u>100.00</u>

	Values of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage fees %
2023				
Daiwa Capital Markets Hong Kong Limited	744,484	23.89	1,972	23.03
Credit Suisse (Hong Kong) Limited	657,179	21.09	1,772	20.69
Citigroup Global Markets Asia Limited	571,902	18.36	1,601	18.69
Instinet Pacific Limited	362,452	11.63	1,170	13.66
Merrill Lynch (Asia Pacific) Limited	311,430	10.00	878	10.25
JP Morgan Securities (Asia Pacific) Limited	269,828	8.66	776	9.06
Mizuho Securities Asia Limited	198,582	6.37	396	4.62
	<u>3,115,857</u>	<u>100.00</u>	<u>8,565</u>	<u>100.00</u>

Performance Data

for the Financial Period Ended 30 April and Financial Years Ended 31 October

	Financial Period 2024 %	Financial Year 2023 %	Financial Year 2022 %	Financial Year 2021 %
A. (i) Portfolio Compositions:				
By Sector:				
Advertising	2.16	1.94	1.85	1.91
Aerospace/Defense	–	2.47	–	–
Agriculture	1.20	0.99	–	–
Apparel	2.88	3.72	–	–
Auto Manufacturers	1.30	–	–	–
Banks	8.87	7.45	13.08	10.74
Building Materials	–	–	–	1.70
Chemicals	0.97	0.87	–	–
Commercial Services	–	1.22	0.91	2.47
Computers	1.23	2.06	2.47	1.91
Consumer Products & Services	–	–	4.17	2.99
Diversified Financial Services	9.90	8.69	11.64	10.43
Electrical Components & Equipment	–	–	0.85	1.41
Electric	1.74	1.04	–	–
Electronics	11.36	7.05	4.58	4.36
Engineering & Construction	10.10	7.14	5.63	5.27
Home Builders	1.25	–	–	–
Home Furnishings	4.69	4.45	1.92	1.53
Industrial Products & Services	2.19	1.60	6.69	3.90
Information Technology	–	–	1.46	1.15
Insurance	2.54	2.37	1.42	1.65
Internet	1.14	1.12	–	–
Machinery-Diversified	–	1.62	1.71	1.61
Mining	3.81	4.06	3.85	3.68
Oil & Gas	1.18	2.08	2.87	2.34
Pipelines	1.24	1.00	–	–
Real Estate	2.14	5.86	6.13	3.71
Retail	3.91	3.30	1.20	1.72
Semiconductors	13.28	10.93	7.13	8.98
Telecommunications	4.31	3.29	5.64	3.61
Textiles	–	–	1.75	1.87
Transportation	1.09	0.65	1.12	3.11
Water	–	1.47	1.11	1.22
Collective Investment Scheme	–	2.13	3.56	5.54
Deposits & Cash Equivalents	5.52	9.43	7.26	11.19
By Country:				
Australia	9.75	10.32	15.91	15.90
China	2.71	2.78	1.92	1.53
Hong Kong	22.96	26.59	22.94	25.40
India	2.94	2.03	–	–
Indonesia	6.09	6.36	6.68	3.42
Malaysia	2.19	1.60	2.24	2.04
Singapore	1.76	5.78	9.79	9.15
South Korea	16.71	15.52	14.83	12.73
Taiwan	26.62	18.31	15.84	16.79
Thailand	2.75	1.28	2.59	1.85
Deposits & Cash Equivalents	5.52	9.43	7.26	11.19

Performance Data

for the Financial Period Ended 30 April and Financial Years Ended 31 October

		Financial Period 2024 %	Financial Year 2023 %	Financial Year 2022 %	Financial Year 2021 %
(ii) Total Net Asset Value	(ex-distribution)	RM6,650,542	RM7,931,869	RM9,677,638	RM15,441,345
(iii) Net Asset Value Per Unit	(ex-distribution)	RM0.9307	RM0.9014	RM0.9207	RM1.1228
	(ex-distribution)	7,146,093	8,799,450	10,510,640	13,755,689
(iv) Highest/Lowest NAV Per Unit	Highest NAV Per Unit	RM0.9597	RM1.0430	RM1.1851	RM1.2025
	Lowest NAV Per Unit	RM0.8945	RM0.9014	RM0.9207	RM0.9750
(v) Total Return of the Fund*		3.25%	3.90%	-13.19%	15.87%
- Capital Growth		3.25%	-2.10%	-18.00%	15.87%
- Income Distribution		-	6.00%	4.81%	-
(vi) The distribution (gross) is made out of:-					
- The Fund's Capital		-	1.9300 sen/unit	6.0000 sen/unit	-
- The Fund's Income		-	4.0700 sen/unit	0.0000 sen/unit	-
- Total Distribution Amount		-	6.0000 sen/unit	6.0000 sen/unit	-
- The Fund's Capital (% of Total Distribution Amount)		-	32%	100%	-
- The Fund's Income (% of Total Distribution Amount)		-	68%	0%	-
(vii) Distribution Per Unit	Additional Units	-	-	-	-
	Distribution (Gross)	-	6.0000 sen/unit	6.0000 sen/unit	-
	Distribution (Net)	-	5.2951 sen/unit	6.0000 sen/unit	-
	Distribution Date	-	20/07/2023	21/07/2022	-
	Cum-Distribution NAV/Unit	-	RM1.0319	RM1.0826	-
	Ex-Distribution NAV/Unit	-	RM0.9789	RM1.0226	-
(viii) Total Expense Ratio (TER)		2.99%#	2.84%	2.42%	2.44%
(ix) Portfolio Turnover Ratio (PTR) (times)		0.18##	0.35	0.23	0.68
B. Average Total Return, NAV Per Unit-to-NAV Per Unit basis (as at 30/04/2024)*					
(i) One year		-2.49%			
(ii) Three years		-3.97%			
(iii) Five years		1.03%			

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

The TER was 0.15 percentage point higher as compared to 2.84% for the financial year ended 31 October 2023 and 0.36 percentage point higher as compared to 2.63% for the financial period from 1 November 2022 to 30 April 2023 mainly due to decrease in average net asset value of the Fund.

The PTR decreased by 0.17 times (48.57%) to 0.18 times for the financial period from 1 November 2023 to 30 April 2024 versus 0.35 times for the financial year ended 31 October 2023 mainly due to lower level of rebalancing activities undertaken by the Fund and increased by 0.01 times (5.88%) as compared to 0.17 times for the financial period from 1 November 2022 to 30 April 2023 mainly due to higher level of rebalancing activities undertaken by the Fund.

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

External Fund Manager

Sumitomo Mitsui DS Asset Management (Hong Kong) Limited

Trustee

CIMB Commerce Trustee Berhad

Auditor

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146)

Distributors

Hong Leong Bank Berhad
Registered Independent Tied Agents with FIMM

Corporate Directory

Head Office

Level 18, Block B, Plaza Zurich
No. 12, Jalan Gelenggang
Bukit Damansara
50490 Kuala Lumpur
Tel: 03-2081 8600
Fax: 03-2081 8500
Website: www.hlam.com.my
E-mail: inquiry@hlam.hongleong.com.my

Pulau Pinang

No. 441-1-3
Pulau Tikus Plaza, Jalan Burmah
10350 Pulau Tikus, Pulau Pinang
Tel: 04-2288 112, 04-2289 112
Fax: 04-2283 112

Ipoh

2nd Floor, Lot 3, Persiaran Greentown 4
Greentown Business Centre
30450 Ipoh, Perak
Tel: 05-2558 388, 05-2559 388
Fax: 05-2558 389



Hong Leong Asset Management Bhd
www.hlam.com.my

