

# Hong Leong Dana Makmur

**Semi-Annual Report**  
Financial Period Ended 31 December 2024

**2024**  
Unaudited



# HONG LEONG DANA MAKMUR

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# Manager’s Review and Report

## I. FUND INFORMATION

**Fund Name**

Hong Leong Dana Makmur (“HLDM” or “the Fund”)

**Fund Category**

Equity (Islamic)

**Fund Type**

Growth

**Investment Objective**

To achieve consistent capital growth over the medium to long-term by investing strictly in accordance with the Shariah requirements.

**Duration of the Fund and its termination date, where applicable**

Not Applicable

**Benchmark**

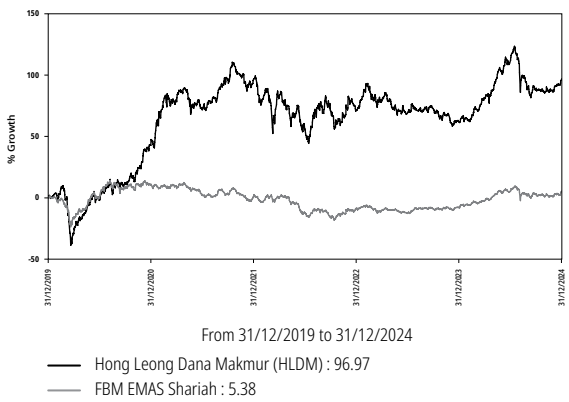
FTSE Bursa Malaysia (FBM) EMAS Shariah Index

**Distribution Policy**

The Fund intends to provide long-term capital growth. As such, income distribution will be incidental to the overall capital growth objective. A substantial portion of the income returns from investments will be reinvested. The Fund may 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, in Malaysian Ringgit terms, ex-distribution, NAV Per Unit-to-NAV Per Unit basis with gross income (if any) from HLDM 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 July 2024 to 31 December 2024.

The Fund posted a return of -6.16% (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 FTSE Bursa Malaysia (FBM) EMAS Shariah Index registered a return of 0.30%. During the financial period under review, the Fund had distributed a gross income distribution of 3.5000 sen per unit (net income distribution of 3.5000 sen per unit) to its Unit holders on 18 July 2024. Prior to the income distribution, the cum-distribution Net Asset Value (NAV) per unit of the Fund was RM0.8351 while the ex-distribution NAV per unit was RM0.8001. Unit holders should note that income distribution has the effect of reducing the NAV per unit of the Fund after distribution.

For the five-year financial periods ended 31 December 2024, the Fund has registered a return of 96.97% compared to the benchmark's return of 5.38% while distributing a total gross income of 23.8040 sen per unit (net income of 23.7495 sen per unit).

**Table 1: Performance of the Fund for the following periods as at 31 December 2024 (Source: Lipper)**

	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Since Launch
<b>HLDM Return (%)</b>	4.88	-6.16	21.59	-0.10	96.97	176.55	602.02
<b>Benchmark (%)</b>	2.82	0.30	14.58	2.67	5.38	0.67	179.68

**Table 2: Return of the Fund based on NAV Per Unit-to-NAV Per Unit basis for the period 30 June 2024 to 31 December 2024 (Source: Lipper)**

	31-Dec-24	30-Jun-24	Return (%)
NAV Per Unit	RM0.7155	RM0.7958*	-6.16#
Benchmark	12,590.57	12,552.70	0.30
<b>vs Benchmark (%)</b>	-	-	-6.46

\* Based on the NAV Per Unit on 28 June 2024 as the above-mentioned reporting date fell on a non-business day.  
 # Return is calculated after adjusting for income distribution during the financial period under review.

**Table 3: Financial Highlights**

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

	31-Dec-24 (RM)	30-Jun-24 (RM)	Change (%)
Unit Holders' Capital	242,266,642	186,212,584	30.10
Retained Earnings	30,790,621	55,196,495	(44.22)
<b>Net Asset Value</b>	<b>273,057,263</b>	<b>241,409,079</b>	<b>13.11</b>
<b>Units in Circulation</b>	<b>381,636,489</b>	<b>303,392,044</b>	<b>25.79</b>

**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 31 December and financial years ended 30 June**

	Financial Period 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Highest NAV Per Unit (RM)	0.8476	0.8140	0.7711	0.8984
Lowest NAV Per Unit (RM)	0.6597	0.6002	0.6158	0.6507
Capital Growth (%)	-10.09	17.97	1.17	-13.50
Income Distribution (%)	3.93	6.23	6.99	4.42
<b>Total Return (%)</b>	<b>-6.16</b>	<b>24.20</b>	<b>8.16</b>	<b>-9.08</b>

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

**Table 5: Average Total Return of the Fund for the financial period ended 31 December 2024**

	1 Year	3 Years	5 Years
Average Total Return (%)	21.59	-0.03	19.39

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

**Table 6: Annual Total Return of the Fund for the financial years ended 30 June**

Financial Year	2024	2023	2022	2021	2020
Annual Total Return (%)	24.20	8.16	-9.08	75.16	9.10

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

III. INVESTMENT PORTFOLIO

Chart 2: Asset Allocation - July 2024 to December 2024

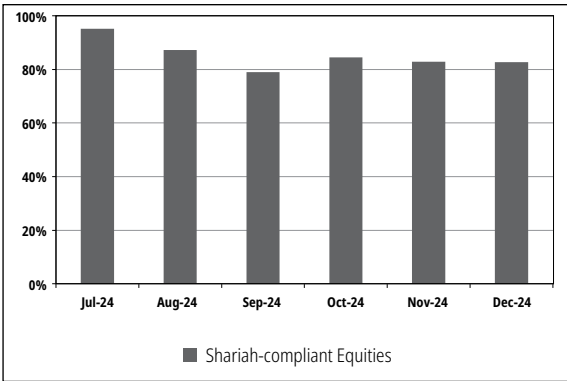
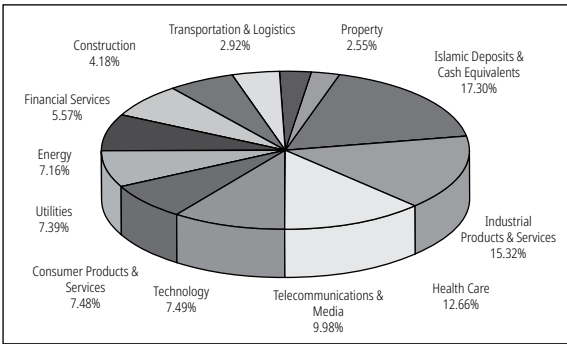


Chart 3: Sector Allocation as at 31 December 2024



Strategies employed by the Fund during the period under review

During the financial period under review, the Fund increased its weighting in high quality big cap Shariah-compliant stocks in order in view of higher volatility in the short to medium term basis. The Fund took profit in the small and mid-cap names (technology and industrial products and services) and increased exposure to selected exporters (gloves and electronic manufacturing services) in view of these sectors would benefit from the possible tariff wars intensifying with President Trump in power.

An explanation on the differences in portfolio composition

During the financial period under review, there was an increase in allocation to health care (gloves), telecommunications and media and consumer products and services. The Fund’s exposure in technology was reduced due to stretched valuations and exposure to currency risks.

Operational review of the Fund

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

IV. MARKET REVIEW

During the financial period under review, the FBM KLCI rose by 3.3%. The Fund’s benchmark, FBM EMAS Shariah Index rose by 0.3% during the same period. Small caps outperformed both indices as the FBM Small Cap Shariah Index decreased by 6.7%.

The second half of 2024 saw Malaysia equities market in general registered positive growth, with construction and property sector leading the market. This was due to the better corporate results from the ongoing Data Centre (DC) related projects and palatable valuations for this sector. Other sectors such as utilities also outperformed the broad market as big tickets DC projects meant higher demand for utilities (power and water).

Global market for the second half of 2024 were mixed, with United States (US) market leading the equities return (Dow Jones Industrial Average Index +8.8% and S&P 500 Index +8.2%). Other market with notable gain includes China (Hang Seng Index +13.8% and Shanghai Shenzhen CSI 300 Index +15.0%) in US Dollar terms. Asia ex Japan markets were slightly up by 1.4% during the period. Global market was higher during the financial period under review due to the better corporate results in tech-related companies in the US, stamped from the Artificial Intelligence (AI) and DC development that pushed the demand for both software and hardware globally.

## **V. FUTURE PROSPECTS AND PROPOSED STRATEGIES**

We expect market to be volatile in the first few months of 2025 as investors are cautious on the US policies by the newly-elected President Trump. Higher tariff from the US to China, Mexico and Canada (with potentially other countries to be included) could mean higher inflation globally as these countries could also retaliate by imposing tariff to US exports. Domestically, while Malaysia's Gross Domestic Product (GDP) forecast seems to be in line for 2024, subsidies removal could potentially lift the inflation numbers. This in turn could slow the economy as higher input costs would lower the margins for the manufacturing and export related sectors.

Despite these factors, domestic market could fare better due to better political stability, mega-projects reinvigoration and a more acceptable valuation. Other external factors that might support interest in the local market includes the potential US interest rate cuts that could mean the interest rate differential would lessen and investors might look for risky assets on this side of the region. Better government fiscal deficit from the subsidies removal and stable monetary policy domestically could provide some cushion from the global market volatility.

However, as the global macroeconomic 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 Shariah-compliant 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, Chue Kwok Yan, as the Director of Hong Leong Asset Management Bhd, do hereby state that, in the opinion of the Manager, the accompanying unaudited condensed financial statements set out on pages 12 to 40 are drawn up in accordance with the provision of the Deeds and give a true and fair view of the financial position of the Fund as at 31 December 2024 and of its financial performance, changes in equity and cash flows for the financial period ended 31 December 2024 in accordance with the Malaysian Financial Reporting Standard 134 “Interim Financial Reporting” and International Accounting Standard 34 “Interim Financial Reporting”.

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

**CHUE KWOK YAN**  
Chief Executive Officer/Executive Director

Kuala Lumpur  
20 February 2025

# TRUSTEE’S REPORT

## TO THE UNIT HOLDERS OF HONG LEONG DANA MAKMUR (“Fund”)

We have acted as Trustee of the Fund for the financial period ended 31 December 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.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Fund Operations

Kuala Lumpur  
20 February 2025

**Sylvia Beh**  
Chief Executive Officer

# SHARIAH ADVISER'S REPORT

## TO THE UNIT HOLDERS OF HONG LEONG DANA MAKMUR ("Fund")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Hong Leong Asset Management Bhd has operated and managed the Fund for the period covered by these financial statements namely, the semi-annual period ended 31 December 2024, in accordance with Shariah principles and requirements, and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah-compliant.

For and on behalf of the Shariah Adviser,  
**BIMB SECURITIES SDN BHD**

**MUHAMMAD SHAHIER SA'MIN**  
Designated Shariah Person

Kuala Lumpur  
20 February 2025

# CONDENSED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2024

	Note	2024 RM	2023 RM
<b>INVESTMENT LOSS</b>			
Profit income from financial assets measured at amortised cost	4	485,935	133,834
Dividend income		3,345,843	1,086,252
Net loss on financial assets at fair value through profit or loss ("FVTPL")	10	(15,299,530)	(8,586,610)
		<u>(11,467,752)</u>	<u>(7,366,524)</u>
<b>EXPENDITURE</b>			
Management fee	5	(1,800,461)	(1,384,356)
Trustee's fee	6	(84,022)	(64,603)
Auditors' remuneration		(3,181)	(3,365)
Tax agent's fee		(1,512)	(1,509)
Transaction costs		(711,689)	(646,747)
Other expenses		(18,473)	(38,051)
		<u>(2,619,338)</u>	<u>(2,138,631)</u>
<b>LOSS BEFORE TAXATION</b>		(14,087,090)	(9,505,155)
Taxation	7	-	-
<b>LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD</b>		<u>(14,087,090)</u>	<u>(9,505,155)</u>
Loss after taxation is made up as follows:			
Realised amount		6,172,196	(2,313,699)
Unrealised amount		(20,259,286)	(7,191,456)
		<u>(14,087,090)</u>	<u>(9,505,155)</u>
Distribution for the financial period:			
Net distribution	8	<u>10,670,775</u>	<u>7,689,426</u>
Net distribution per unit (sen)	8	<u>3.5000</u>	<u>3.5000</u>
Gross distribution per unit (sen)	8	<u>3.5000</u>	<u>3.5000</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 DECEMBER 2024

	Note	31.12.2024 RM	30.06.2024 RM
<b>ASSETS</b>			
Cash and cash equivalents	9	47,909,866	7,367,200
Amount due from brokers/dealers		-	2,748,157
Amount due from the Manager			
-creation of units		684,945	2,466,644
Dividends receivable		560,600	408,360
Financial assets at FVTPL	10	225,809,128	233,296,819
Prepayment		261	-
<b>TOTAL ASSETS</b>		<u>274,964,800</u>	<u>246,287,180</u>
<b>LIABILITIES</b>			
Amount due to brokers/dealers		1,042,688	1,578,184
Amount due to the Manager			
-cancellation of units		514,365	2,970,988
-management fee		326,704	301,686
Amount due to the Trustee		15,246	14,079
Other payables and accruals		8,534	13,164
<b>TOTAL LIABILITIES</b>		<u>1,907,537</u>	<u>4,878,101</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>273,057,263</u>	<u>241,409,079</u>
<b>EQUITY</b>			
Unit holders' capital		242,266,642	186,212,584
Retained earnings		30,790,621	55,196,495
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>273,057,263</u>	<u>241,409,079</u>
<b>UNITS IN CIRCULATION (UNITS)</b>	12	<u>381,636,489</u>	<u>303,392,044</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<u>0.7155</u>	<u>0.7957</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 DECEMBER 2024

	Note	Unit holders' capital RM	Retained earnings/ (accumulated loss) RM	Total RM
Balance as at 1 July 2024		186,212,584	55,196,495	241,409,079
Movement in net asset value:				
Creation of units from applications		87,854,694	-	87,854,694
Creation of units from distribution		10,593,563	-	10,593,563
Cancellation of units		(42,042,208)	-	(42,042,208)
Total comprehensive loss for the financial period		-	(14,087,090)	(14,087,090)
Distribution for the financial period	8	(351,991)	(10,318,784)	(10,670,775)
Balance as at 31 December 2024		<u>242,266,642</u>	<u>30,790,621</u>	<u>273,057,263</u>
Balance as at 1 July 2023		131,555,278	3,683,132	135,238,410
Movement in net asset value:				
Creation of units from applications		112,116,225	-	112,116,225
Creation of units from distribution		7,609,826	-	7,609,826
Cancellation of units		(20,497,331)	-	(20,497,331)
Total comprehensive loss for the financial period		-	(9,505,155)	(9,505,155)
Distribution for the financial period	8	(7,689,426)	-	(7,689,426)
Balance as at 31 December 2023		<u>223,094,572</u>	<u>(5,822,023)</u>	<u>217,272,549</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 DECEMBER 2024

	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sale of financial assets at FVTPL	101,335,330	50,917,937
Purchase of financial assets at FVTPL	(107,522,197)	(135,661,335)
Profit income received from financial assets measured at amortised cost	485,935	133,834
Dividend income received	3,069,603	1,101,432
Prepayment	(261)	-
Management fee paid	(1,775,443)	(1,270,243)
Trustee's fee paid	(82,855)	(59,278)
Payment for other fees and expenses	(27,796)	(43,453)
Net cash used in operating activities	(4,517,684)	(84,881,106)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	89,636,393	114,943,110
Payments for cancellation of units	(44,498,831)	(20,387,465)
Payments for distribution	(77,212)	(79,600)
Net cash generated from financing activities	45,060,350	94,476,045
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	40,542,666	9,594,939
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	7,367,200	5,520,954
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	47,909,866	15,115,893

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 DECEMBER 2024

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

Hong Leong Dana Makmur ("the Fund") was constituted pursuant to the execution of a Deed dated 2 October 2001 and Supplemental Deed dated 30 April 2010 between the Manager, Hong Leong Asset Management Bhd and AmTrustee Berhad for the unit holders of the Fund. AmTrustee Berhad has been replaced with Deutsche Trustees Malaysia Berhad ("the Trustee") effective 1 September 2012 and Supplemental Master Deeds were entered into between the Manager and the Trustee for the unit holders of the Fund on 27 July 2012, 25 March 2015, 28 November 2019, 7 February 2020, 21 December 2021, 28 April 2022, 23 March 2023, 23 October 2023 and 13 February 2024 to effect the change ("the Deeds").

The Fund aims to achieve consistent capital growth over the medium to long-term by investing strictly in accordance with the Shariah requirements.

The Fund follows a strict selection process to ensure only appropriate Shariah-compliant securities are invested. Generally, the Fund selects undervalued companies that have the potential to offer good medium to long-term capital growth. Undervalued companies refer to companies with stock price selling at a price lower than what is believed to be its intrinsic value and can be measured by its price to earnings ratio (PER), price to book ratio (P/B), dividend yield or any other appropriate method as determined by the Manager. The Fund commenced operations on 12 November 2001 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.

Hong Leong Islamic Asset Management Sdn Bhd ("HLISAM") is the external fund manager appointed for Hong Leong Dana Makmur. The effective date for the appointment is on 17 April 2020. HLISAM is a wholly own subsidiary of the Manager. On November 2019, HLISAM was issued with an Islamic fund management license by the Securities Commission Malaysia ("SC") to undertake the regulated activity of Islamic fund management.

The financial statements were authorised for issue by the Manager on 20 February 2025.

## 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 June 2024 which have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards.

### (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 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 flow 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<sup>1</sup> as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities<sup>2</sup> are solely principal and profit, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

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

The Fund classifies amount due to brokers/dealers, 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. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

<sup>1</sup> For the purposes of the investments made by the Fund, equity securities refer to Shariah-compliant equity securities.

<sup>2</sup> For the purposes of the investments made by the Fund, debt securities refer to sukuk.

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 Shariah-compliant 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 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.

Quoted Shariah-compliant 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.

If a valuation based on the market price does not represent the fair value of the quoted Shariah-compliant 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 Shariah-compliant securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted Shariah-compliant 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.

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

### **(d) Income recognition**

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

Profit income from cash at bank and Islamic deposits with licensed Islamic financial institutions are recognised on the effective profit rate method on an accrual basis.

Profit income is calculated by applying the effective profit 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 profit 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 Shariah-compliant investments is accounted for as the difference between the net disposal proceeds and the carrying amount of quoted Shariah-compliant investments, determined on a weighted average cost basis.

### **(e) Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at bank and Islamic deposits held in highly liquid Shariah-compliant 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 Shariah-compliant 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 profit 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, profit income is recognised using the rate of profit 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.

## (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) 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
<b>31.12.2024</b>			
<u>Financial assets</u>			
Cash and cash equivalents (Note 9)	-	47,909,866	47,909,866
Amount due from the Manager			
-creation of units	-	684,945	684,945
Dividends receivable	-	560,600	560,600
Financial assets at FVTPL (Note 10)	225,809,128	-	225,809,128
	225,809,128	49,155,411	274,964,539
<u>Financial liabilities</u>			
Amount due to brokers/dealers	-	1,042,688	1,042,688
Amount due to the Manager			
-cancellation of units	-	514,365	514,365
-management fee	-	326,704	326,704
Amount due to the Trustee	-	15,246	15,246
Other payables and accruals	-	8,534	8,534
	-	1,907,537	1,907,537

	Financial assets at FVTPL RM	Financial assets/ liabilities at amortised cost RM	Total RM
<b>30.06.2024</b>			
<u>Financial assets</u>			
Cash and cash equivalents (Note 9)	-	7,367,200	7,367,200
Amount due from brokers/dealers	-	2,748,157	2,748,157
Amount due from the Manager			
-creation of units	-	2,466,644	2,466,644
Dividends receivables	-	408,360	408,360
Financial assets at FVTPL (Note 10)	233,296,819	-	233,296,819
	<u>233,296,819</u>	<u>12,990,361</u>	<u>246,287,180</u>
<u>Financial liabilities</u>			
Amount due to brokers/dealers	-	1,578,184	1,578,184
Amount due to the Manager			
-cancellation of units	-	2,970,988	2,970,988
-management fee	-	301,686	301,686
Amount due to the Trustee	-	14,079	14,079
Other payables and accruals	-	13,164	13,164
	<u>-</u>	<u>4,878,101</u>	<u>4,878,101</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 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 trading Shariah-compliant 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 Islamic options, Islamic currency swaps and other over-the-counter Islamic derivatives, include the use of comparable recent arm's length transactions, reference to other Shariah-compliant 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 Shariah-compliant equity and sukuk 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 counterparty risk.

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

(i) Fair value hierarchy

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

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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

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

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>31.12.2024</b>				
<u>Financial assets at FVTPL:</u>				
- Quoted Shariah-compliant equity securities	225,809,128	-	-	225,809,128
<b>30.06.2024</b>				
<u>Financial assets at FVTPL:</u>				
- Quoted Shariah-compliant equity securities	233,296,819	-	-	233,296,819

Shariah-compliant investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed Shariah-compliant equities. The Fund does not adjust the quoted prices for this instrument.



- (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. PROFIT INCOME FROM FINANCIAL ASSETS MEASURED AT AMORTISED COST

	2024 RM	2023 RM
Profit income from:		
- Islamic deposits with licensed financial institutions	478,026	133,238
- Cash at bank	7,909	596
	<u>485,935</u>	<u>133,834</u>

#### 5. MANAGEMENT FEE

In accordance with Eighth Supplemental Master Deed dated 23 October 2023, the Manager is entitled to a management fee of up to 2.00% per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 31 December 2024, the management fee is recognised at a 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 Deeds, the Trustee is entitled to a fee not exceeding 0.10% per annum subject to a minimum of RM35,000 per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 31 December 2024, the Trustee's fee is recognised at a rate of 0.07% (2023: 0.07%) 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 loss before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund is as follows:

	2024 RM	2023 RM
Loss before taxation	(14,087,090)	(9,505,155)
Taxation at Malaysian statutory rate of 24% (2023: 24%)	(3,380,902)	(2,281,237)
Tax effects of:		
Shariah-compliant investment loss disallowed from tax	2,752,261	1,767,966
Expenses not deductible for tax purposes	191,886	171,727
Restriction on tax deductible expenses for unit trust fund	436,755	341,544
Taxation	-	-

#### 8. DISTRIBUTION

	2024 RM	2023 RM
Distribution to unit holders is derived from the following sources:		
Profit income from financial assets measured at FVTPL	309,336	-
Dividend income	3,372,585	-
Realised gains on financial assets at FVTPL	11,331,822	-
Less: expenses	(4,694,959)	-
Dividend equalisation	351,991	7,689,426
Net distribution amount	<u>10,670,775</u>	<u>7,689,426</u>

	2024 RM	2023 RM
<b>Date of Declaration</b>		
<b>18 July 2024 / 20 July 2023</b>		
Gross/net distribution per unit (sen)	3,5000	3,5000

The composition of distribution payments sourced from income and capital are disclosed in below:

	Income RM	%	Capital RM	%
<b>2024</b>	10,670,775	100.00	-	-
<b>2023</b>	7,689,426	100.00	-	-

Net distribution above is sourced from prior financial years' realised income. Gross distribution is derived using total income less total expenses.

Gross distribution per unit is derived from net realised income less expenses divided by units in circulation, while net distribution per unit is derived from net realised income less expenses and taxation divided by units in circulation.

Distribution equalisation represents the average amount of distributable income included in the creation and cancellation prices of units. It is computed as at each date of creation and cancellation of units. For the purpose of determining amount available for distribution, distribution equalisation is included in the computation of distribution available for unit holders.

The above distributions have been proposed before taking into account the unrealised losses of RM20,259,286 (2023: RM7,191,456) which is carried forward to the next financial period.

## 9. CASH AND CASH EQUIVALENTS

	31.12.2024 RM	30.06.2024 RM
Islamic deposits with licensed financial institutions	47,504,839	7,302,770
Cash at banks	405,027	64,430
	47,909,866	7,367,200

The weighted average effective rate of return per annum are as follows:

	31.12.2024 %	30.06.2024 %
Islamic deposits with licensed financial institutions	2.95	2.95

Islamic deposits with licensed financial institutions have an average remaining maturity of 2 days (30.06.2024: 1 day).

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

	31.12.2024 RM	30.06.2024 RM
<u>Financial assets at FVTPL:</u>		
Quoted Shariah-compliant equity securities	225,809,128	233,296,819
	2024 RM	2023 RM
<u>Net loss on financial assets at FVTPL:</u>		
Realised gain/(loss) on disposals	4,959,756	(1,395,154)
Changes in unrealised fair values	(20,259,286)	(7,191,456)
	(15,299,530)	(8,586,610)

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

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<b>QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES</b>				
<u>Main Market</u>				
<u>Construction</u>				
IJM Corporation Berhad	3,750,000	9,739,880	11,400,000	4.18
<u>Consumer Products &amp; Services</u>				
AEON Co. (M) Bhd	7,000,000	10,282,450	10,990,000	4.02
Sime Darby Berhad	4,000,000	10,347,160	9,440,000	3.46
	11,000,000	20,629,610	20,430,000	7.48
<u>Energy</u>				
Deleum Berhad	4,200,000	4,046,489	5,796,000	2.12
Dialog Group Berhad	5,000,000	11,571,300	9,250,000	3.39
Uzma Berhad	5,833,333	4,270,288	4,491,666	1.65
	15,033,333	19,888,077	19,537,666	7.16
<u>Financial Services</u>				
MBSB Berhad	8,000,000	6,232,500	5,920,000	2.17
Syarikat Takaful Malaysia Keluarga Berhad	2,390,000	9,150,506	9,297,100	3.40
	10,390,000	15,383,006	15,217,100	5.57
<u>Health Care</u>				
Hartalega Holdings Berhad	3,000,000	7,526,926	11,850,000	4.34
IHH Healthcare Berhad	1,600,000	10,267,090	11,680,000	4.28
Kossan Rubber Industries Berhad	3,900,000	8,260,585	11,037,000	4.04
	8,500,000	26,054,601	34,567,000	12.66
<u>Industrial Products &amp; Services</u>				
EG Industries Berhad	2,657,600	4,046,051	6,511,120	2.38
EG Industries Berhad - Warrant D	1,203,800	-	932,945	0.34
Hiap Teck Venture Berhad	12,500,000	5,178,750	4,312,500	1.58
Press Metal Aluminium Holdings Berhad	1,900,000	10,911,660	9,310,000	3.41
SAM Engineering & Equipment (M) Berhad	1,100,000	5,083,031	4,796,000	1.76
V.S. Industry Berhad	8,300,000	7,037,775	9,379,000	3.43
V.S. Industry Berhad - Warrant C	680,000	-	142,800	0.05
	28,341,400	32,257,267	35,384,365	12.95
<u>Property</u>				
Eastern & Oriental Berhad	7,300,000	4,038,500	6,971,500	2.55

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>Technology</u>				
CTOS Digital Berhad	3,000,000	3,703,700	3,600,000	1.32
Frontken Corporation Berhad	800,000	2,911,782	3,568,000	1.31
Malaysian Pacific Industries Berhad	178,000	5,322,110	4,610,200	1.69
Pentamaster Corporation Berhad	1,200,000	5,316,897	4,992,000	1.83
UWC Berhad	1,155,000	4,156,496	3,649,800	1.34
	6,333,000	21,410,985	20,420,000	7.49
<u>Telecommunications &amp; Media</u>				
CelcomDigi Berhad	2,400,000	8,811,610	8,688,000	3.18
Maxis Berhad	2,500,000	9,382,790	9,125,000	3.34
Telekom Malaysia Berhad	1,420,000	7,860,197	9,443,000	3.46
	6,320,000	26,054,597	27,256,000	9.98
<u>Transportation &amp; Logistics</u>				
MISC Berhad	1,050,000	8,163,560	7,980,000	2.92
<u>Utilities</u>				
Tenaga Nasional Berhad	1,350,000	14,526,547	20,169,000	7.39
<u>ACE Market</u>				
<u>Industrial Products &amp; Services</u>				
KJTS Group Berhad	4,877,600	2,324,176	4,048,408	1.48
YBS International Berhad	3,054,200	1,813,432	2,428,089	0.89
	7,931,800	4,137,608	6,476,497	2.37
<b>TOTAL QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES</b>	<b>107,299,533</b>	<b>202,284,238</b>	<b>225,809,128</b>	<b>82.70</b>
<b>UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL</b>		<b>23,524,890</b>		
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL</b>		<b>225,809,128</b>		

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

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<b>QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES</b>				
<u>Main Market</u>				
<u>Construction</u>				
IJM Corporation Berhad	4,500,000	10,227,150	13,725,000	5.69
<u>Consumer Products &amp; Services</u>				
Guan Chong Berhad	3,000,000	11,576,100	11,040,000	4.57
Sime Darby Berhad	1,600,000	4,215,980	4,192,000	1.74
	4,600,000	15,792,080	15,232,000	6.31

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>Energy</u>				
Deleum Berhad	4,500,000	4,239,055	5,895,000	2.44
Uzma Berhad	7,000,000	5,120,680	7,980,000	3.31
Velesto Energy Berhad	16,500,000	4,532,550	4,372,500	1.81
	28,000,000	13,892,285	18,247,500	7.56
<u>Financial Services</u>				
Syarikat Takaful Malaysia Keluarga Berhad	1,000,000	3,822,285	3,730,000	1.54
<u>Healthcare</u>				
Hartalega Holdings Berhad	2,600,000	5,642,060	8,528,000	3.53
Kossan Rubber Industries Berhad	3,300,000	7,147,870	7,755,000	3.21
	5,900,000	12,789,930	16,283,000	6.74
<u>Industrial Products &amp; Services</u>				
Aurelius Technologies Berhad	2,680,000	7,501,156	9,835,600	4.07
Dufu Technology Corporation Berhad	3,032,200	5,914,178	7,792,754	3.23
EG Industries Berhad	4,907,600	7,471,553	10,060,580	4.17
EG Industries Berhad-Warrants D	1,203,800	-	565,786	0.23
Hiap Teck Venture Berhad	17,000,000	7,043,100	7,225,000	2.99
Press Metal Aluminium Holdings Berhad	600,000	3,475,440	3,456,000	1.43
SAM Engineering & Equipment (M) Berhad	1,200,000	5,545,124	7,380,000	3.06
Seng Fong Holdings Berhad	2,426,666	1,342,377	2,378,133	0.99
SKP Resources Berhad	1,500,000	1,590,249	1,725,000	0.71
V.S. Industry Berhad	6,800,000	5,479,975	8,636,000	3.58
	41,350,266	45,363,152	59,054,853	24.46
<u>Property</u>				
Eastern & Oriental Berhad	9,400,000	5,200,260	9,259,000	3.84
<u>Technology</u>				
Frontken Corporation Berhad	2,670,000	9,718,073	11,908,200	4.93
Malaysian Pacific Industries Berhad	208,000	6,219,095	8,199,360	3.40
Pentamaster Corporation Berhad	1,790,000	7,931,038	8,985,800	3.72
UWC Berhad	2,255,000	8,115,064	6,719,900	2.78
	6,923,000	31,983,270	35,813,260	14.83
<u>Telecommunications &amp; Media</u>				
Telekom Malaysia Berhad	1,920,000	10,627,872	12,979,200	5.38
<u>Utilities</u>				
Tenaga Nasional Berhad	1,730,000	17,686,162	23,839,400	9.88

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>ACE Market</u>				
<u>Industrial Products &amp; Services</u>				
Coraza Integrated Technology Berhad	10,200,000	7,250,120	5,457,000	2.26
KJTS Group Berhad	17,324,800	8,255,267	11,087,872	4.59
YBS International Berhad	11,154,200	6,622,809	8,588,734	3.56
	38,679,000	22,128,196	25,133,606	10.41
<b>TOTAL SHARIAH-COMPLIANT INVESTMENTS</b>	<b>144,002,266</b>	<b>189,512,642</b>	<b>233,296,819</b>	<b>96.64</b>
<b>UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL</b>		<b>43,784,177</b>		
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL</b>		<b>233,296,819</b>		

## 11. SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investments portfolio of the Fund is Shariah-compliant, which comprises:

- Equity securities listed on Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission; and
- Cash placements and liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

## 12. UNITS IN CIRCULATION

	01.07.2024 to 31.12.2024 No. of units	01.07.2023 to 30.06.2024 No. of units
At the beginning of the financial period/year	303,392,044	200,466,497
Add: Creation of units during the financial period/year		
- Arising from applications	122,978,273	224,291,180
- Arising from distribution	13,360,528	11,614,508
Less: Cancellation of units during the financial period/year	(58,094,356)	(132,980,141)
At the end of the financial period/year	381,636,489	303,392,044

13. TOTAL EXPENSE RATIO (“TER”)

	2024 %	2023 %
TER (annualised)	1.59	1.61

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:

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

Where;

- A = Management fee
- B = Trustee’s fee
- C = Auditors’ remuneration
- D = Tax agent’s fee
- E = Other expenses
- F = 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 RM238,400,723 (2023: RM184,109,220).

14. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024 Times	2023 Times
PTR	0.42	0.51

PTR is derived from the following calculation:

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

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

Where;

- total acquisitions for the financial period  
= RM106,627,726 (2023: RM133,131,407)
- total disposals for the financial period  
= RM93,980,130 (2023: RM53,963,907)

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

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

Related parties	Relationships
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

Units held by related parties of the Manager

	2024		2023	
	Units	RM	Units	RM
Hong Leong MSIG Takaful Berhad	37,595,365	26,899,125	12,013,193	7,377,302

The above units were transacted at the prevailing market price.

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

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

	31.12.2024 RM	30.06.2024 RM
<u>Related party balances</u>		
Cash at bank:		
- Hong Leong Islamic Bank Berhad	1,194	3,705
Islamic deposits with licensed financial institution		
- Hong Leong Islamic Bank Berhad	47,504,839	7,302,770
	<u>47,506,033</u>	<u>7,306,475</u>
	2024 RM	2023 RM
<u>Related party transactions</u>		
Profit income from Islamic deposits with licensed financial institution:		
- Hong Leong Islamic Bank Berhad	393,933	-
Profit income from cash at bank:		
- Hong Leong Islamic Bank Berhad	603	194
Purchase of quoted Shariah-compliant equity securities:		
- Hong Leong Investment Bank Berhad	53,315,137	71,329,732
Disposal of quoted Shariah-compliant equity securities:		
- Hong Leong Investment Bank Berhad	18,243,036	42,428,255

## 16. TRANSACTIONS WITH BROKERS/DEALERS

Detail of transactions with brokers/dealers are as follows:

	Value of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage fees %
<b>2024</b>				
Hong Leong Investment Bank Berhad*	71,558,172	34.81	178,605	35.01
CLSA Securities Malaysia Sdn Bhd	24,942,927	12.13	62,452	12.24
Maybank Investment Bank Berhad	22,419,112	10.90	56,048	10.99
MIDF Amanah Investment Bank Berhad	21,834,786	10.62	54,598	10.70
Nomura Securities Malaysia Sdn Bhd	19,952,830	9.71	49,999	9.80
Affin Hwang Investment Bank Berhad	15,829,302	7.70	39,612	7.77
JPMorgan Securities (Malaysia) Sdn Bhd	12,625,741	6.14	31,537	6.18
CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd)	9,552,711	4.65	20,071	3.94
Phillip Capital Sdn Bhd	6,858,293	3.34	17,190	3.37
	<u>205,573,874</u>	<u>100.00</u>	<u>510,112</u>	<u>100.00</u>
<b>2023</b>				
Hong Leong Investment Bank Berhad*	113,757,987	61.17	284,157	60.47
Nomura Securities Malaysia Sdn Bhd	31,763,783	17.08	79,220	16.86
JPMorgan Securities (Malaysia) Sdn Bhd	17,101,761	9.20	42,678	9.08
CLSA Securities Malaysia Sdn Bhd	11,499,776	6.18	28,697	6.11
Phillip Capital Sdn Bhd	7,493,300	4.03	18,662	3.97
Public Investment Bank Berhad	2,279,340	1.23	11,340	2.41
MIDF Amanah Investment Bank Berhad	2,074,568	1.11	5,169	1.10
	<u>185,970,515</u>	<u>100.00</u>	<u>469,923</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

for the Financial Period Ended 31 December and Financial Years Ended 30 June

		Financial Period 2024 %	Financial Year 2024 %	Financial Year 2023 %	Financial Year 2022 %
<b>A. (i) Portfolio Compositions:</b>					
Construction		4.18	5.69	–	–
Consumer Products & Services		7.48	6.31	7.03	14.68
Energy		7.16	7.56	8.54	2.23
Financial Services		5.57	1.54	–	–
Health Care		12.66	6.74	6.50	–
Industrial Products & Services		15.32	34.87	31.40	29.93
Plantation		–	–	3.70	–
Property		2.55	3.84	3.55	–
Technology		7.49	14.83	32.96	43.22
Telecommunications & Media		9.98	5.38	0.52	–
Transportation & Logistics		2.92	–	–	1.85
Utilities		7.39	9.88	–	–
<b>Islamic Deposits &amp; Cash Equivalents</b>		<b>17.30</b>	<b>3.36</b>	<b>5.80</b>	<b>8.09</b>
<b>(ii) Total Net Asset Value</b>	(ex-distribution)	<b>RM273,057,263</b>	RM241,409,079	RM135,238,410	RM79,850,755
<b>(iii) Net Asset Value Per Unit Units in Circulation</b>	(ex-distribution) (ex-distribution)	<b>RM0.7155</b> <b>381,636,489</b>	RM0.7958 303,392,044	RM0.6746 200,466,497	RM0.6668 119,751,920
<b>(iv) Highest/Lowest NAV Per Unit</b>	Highest NAV Per Unit	<b>RM0.8476</b>	RM0.8140	RM0.7711	RM0.8984
(ex-distribution)	Lowest NAV Per Unit	<b>RM0.6597</b>	RM0.6002	RM0.6158	RM0.6507
<b>(v) Total Return of the Fund*</b>		<b>-6.16%</b>	24.20%	8.16%	-9.08%
- Capital Growth		<b>-10.09%</b>	17.97%	1.17%	-13.50%
- Income Distribution		<b>3.93%</b>	6.23%	6.99%	4.42%
<b>(vi) The distribution (gross) is made out of:-</b>					
- The Fund's Capital		<b>3.5000 sen/unit</b>	0.0000 sen/unit	0.0000 sen/unit	3.9040 sen/unit
- The Fund's Income		<b>0.0000 sen/unit</b>	3.5000 sen/unit	4.3000 sen/unit	0.0000 sen/unit
- Total Distribution Amount		<b>3.5000 sen/unit</b>	3.5000 sen/unit	4.3000 sen/unit	3.9040 sen/unit
- The Fund's Capital (% of Total Distribution Amount)		<b>100%</b>	0%	0%	100%
- The Fund's Income (% of Total Distribution Amount)		<b>0%</b>	100%	100%	0%
<b>(vii) Distribution Per Unit</b>					
	Additional Units	–	–	–	–
	Distributions (Gross)	<b>3.5000 sen/unit</b>	3.5000 sen/unit	4.3000 sen/unit	3.9040 sen/unit
	Distributions (Net)	<b>3.5000 sen/unit</b>	3.5000 sen/unit	4.3000 sen/unit	3.8983 sen/unit
	Distribution Date	<b>18/07/2024</b>	20/07/2023	21/07/2022	26/07/2021
	Cum-Distribution NAV/Unit	<b>RM0.8351</b>	RM0.6978	RM0.6655	RM0.8025
	Ex-Distribution NAV/Unit	<b>RM0.8001</b>	RM0.6628	RM0.6225	RM0.7635
<b>(viii) Total Expense Ratio (TER)</b>		<b>1.59</b>	1.61%	1.63%	1.64%
<b>(ix) Portfolio Turnover Ratio (PTR) (times)</b>		<b>0.42#</b>	0.91	0.73	1.18
<b>B. Average Total Return, NAV Per Unit-to-NAV Per Unit basis (as at 31/12/2024)*</b>					
(i) One year		<b>21.59%</b>			
(ii) Three years		<b>-0.03%</b>			
(iii) Five years		<b>19.39%</b>			

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

# The PTR decreased by 0.49 times (53.85%) to 0.42 times for the financial period from 1 July 2024 to 31 December 2024 versus 0.91 times for the financial year ended 30 June 2024 mainly due to lower level of rebalancing activities undertaken by the Fund and 0.09 times (17.65%) as compared to 0.51 times for the financial period from 1 July 2023 to 31 December 2023 mainly due to higher average net asset value of 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. Chue Kwok Yan  
YBhg Dato' Abdul Majit bin Ahmad Khan  
YM Tunku Dato' Mahmood Fawzy bin Tunku Muhiyiddin

## Executive Director / Chief Executive Officer

Mr. Chue Kwok Yan

## External Fund Manager

Hong Leong Islamic Asset Management Sdn Bhd [198501008000 (140445-U)]

## Trustee

Deutsche Trustees Malaysia Berhad

## Auditor

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146)

## Shariah Adviser

BIMB Securities Sdn Bhd

## Distributors

Hong Leong Bank Berhad  
Hong Leong Islamic Bank Berhad  
Affin Bank Berhad  
Areca Capital Sdn Bhd  
CIMB Investment Bank Berhad  
iFAST Capital Sdn Bhd  
Kenanga Investors Berhad  
OCBC Al-Amin Bank Berhad  
OCBC Bank (Malaysia) Berhad  
Phillip Mutual Berhad  
Standard Chartered Bank Malaysia Berhad  
TA Investment Management Berhad of Malaysia  
United Overseas Bank (Malaysia) Berhad  
UOB Kay Hian Securities (M) Sdn Bhd  
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](http://www.hlam.com.my)  
E-mail: [inquiry@hlam.hongleong.com.my](mailto:inquiry@hlam.hongleong.com.my)

## Pulau Pinang

No. 441-1-3  
Pulau Tikus Plaza, Jalan Burmah  
10350 Pulau Tikus, Pulau Pinang  
Tel: 04-228 8112, 04-228 9112  
Fax: 04-228 3112

## Ipoh

2nd Floor, Lot 3, Persiaran Greentown 4  
Greentown Business Centre  
30450 Ipoh, Perak  
Tel: 05-255 8388, 05-255 9388  
Fax: 05-255 8389





Hong Leong Asset Management Bhd  
[www.hlam.com.my](http://www.hlam.com.my)

