

Hong Leong Global ESG Fund

Semi-Annual Report

Financial Period Ended 30 September 2024

2024

Unaudited



HONG LEONG GLOBAL ESG FUND

Contents

	Page
Manager's Review and Report	1-10
Statement by the Manager	11
Trustee's Report	12
Condensed Statement of Comprehensive Income	13
Condensed Statement of Financial Position	14
Condensed Statement of Changes in Equity	15
Condensed Statement of Cash Flows	16
Notes to the Condensed Financial Statements	17-44
Performance Data	45-48
Corporate Information	49
Corporate Directory	50

Manager’s Review and Report

I. FUND INFORMATION

Fund Name

Hong Leong Global ESG Fund (“HLGESGF” or “the Fund”)

Fund Category

Equity

Fund Type

Growth

Investment Objective

The Fund aims to provide medium to long-term capital growth by investing in a globally diversified portfolio of companies with a focus on ESG criteria in the investment process.

Duration of the Fund and its termination date, where applicable

Not Applicable

Benchmark

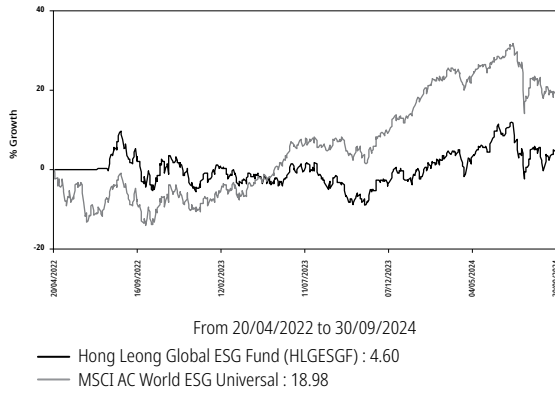
MSCI ACWI ESG Universal Index

Distribution Policy

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

II. FUND PERFORMANCE

Chart 1: Performance of the Fund versus the benchmark since launch



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 HLGESGF reinvested.

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

Performance Review

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

The Fund posted a return of 0.05% (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 World ESG Universal Index registered a return of -5.40% (in Malaysian Ringgit terms).

Since launch, the Fund has registered a return of 4.60% while its benchmark the MSCI AC World ESG Universal Index registered a return of 18.98% (in Malaysian Ringgit terms).

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

	3 Months	6 Months	1 Year	Since Launch
HLGESGF Return (%)	-3.59	0.05	13.17	4.60
Benchmark (%)	-7.26	-5.40	14.61	18.98

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

	30-Sep-24	31-Mar-24	Return (%)
NAV Per Unit	RM1.0460	RM1.0455*	0.05
Benchmark	12,371.84	13,078.39	-5.40
vs Benchmark (%)	-	-	5.45

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

Table 3: Financial Highlights

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

	30-Sep-24 (RM)	31-Mar-24 (RM)	Change (%)
Unit Holders' Capital	8,813,831	7,839,970	12.42
Retained Earnings	458,923	446,606	2.76
Net Asset Value	9,272,754	8,286,576	11.90
Units in Circulation	8,864,607	7,926,948	11.83

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 periods ended 30 September/ 31 March and financial year ended 31 March

	Financial Period Sep 2024	Financial Year 2024	Financial Period Mar 2023*
Highest NAV Per Unit (RM)	1.1194	1.0466	1.0957
Lowest NAV Per Unit (RM)	0.9767	0.9096	0.9429
Capital Growth (%)	0.05	5.51	-0.91
Income Distribution (%)	-	-	-
Total Return (%)	0.05	5.51	-0.91

* The figure shown is for the period since Fund launch (20 April 2022 to 31 March 2023).

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 HLGESGF reinvested.

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

	1 Year
Average Total Return (%)	13.17

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 HLGESGF reinvested.

Table 6: Annual Total Return of the Fund for the financial period and year ended 31 March

Financial Year/Period	2024	2023
Annual Total Return (%)	5.51	-0.91*

* The figure shown is for the period since Fund launch (20 April 2022 to 31 March 2023).

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 HLGESGF reinvested.

III. INVESTMENT PORTFOLIO

Chart 2: Asset Allocation - April 2024 to September 2024

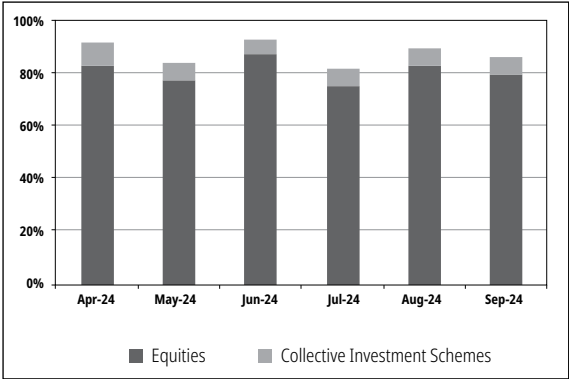


Chart 3: Sector Allocation as at 30 September 2024

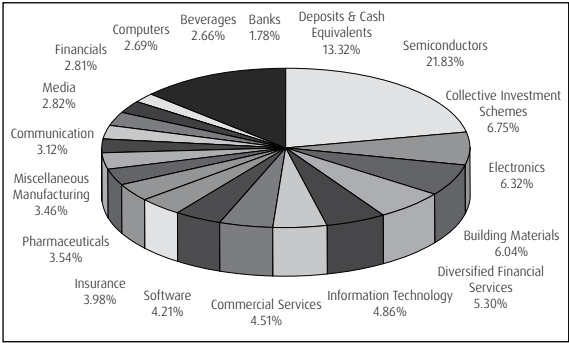
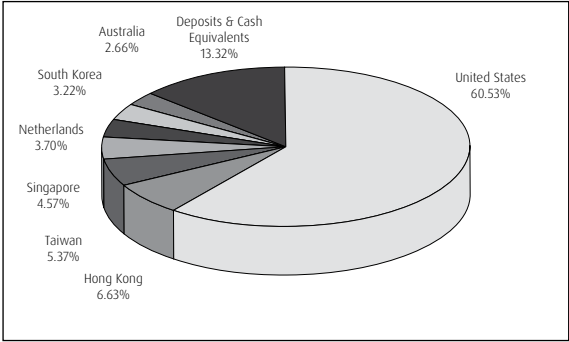


Chart 4: Geographical Allocation as at 30 September 2024



Strategies employed by the Fund during the period under review

During the financial period under review, the Fund added higher allocation into companies which are benefited from the rising adoption Artificial Intelligence (AI) and lowered its exposure in financial services sector.

An explanation on the differences in portfolio composition

During the financial period under review, we hold a positive outlook on the increasing adoption of AI at both corporate and personal levels, facilitated by the widespread integration of AI technologies into smartphone devices. However, we anticipate that lower interest rates may exert downward pressure on the earnings performance of the financial services sector.

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, the anticipated slowdown in the United States (US) economic growth has been more gradual than expected, contributing to persistently high inflation that may delay policy easing by the Federal Reserve (Fed). Our base case remains an orderly moderation in growth. Retail sales have shown signs of softening since the start of the year, though consumer spending continues to benefit from a strong labour market. However, diminishing savings and rising borrowing costs could gradually curb consumption, helping to ease inflation over time—even as progress on curbing price increases has been slower-than-desired in recent months. Despite higher funding costs, corporate capital expenditure remains steady, particularly among larger companies.

We are closely monitoring the potential impact of commercial real estate pressures on regional banks. The swift and decisive response by the Fed, Treasury Department and Federal Deposit Insurance Corporation (FDIC) to manage the fallout from the Silicon Valley Bank (SVB) crisis in March 2023 demonstrated regulators' commitment to maintaining bond market liquidity and financial system stability. Consequently, we view the likelihood of a severe economic downturn or systemic financial stress as low. Overall, we expect the US economy to grow in line with its long-term trend heading into 2025.

The US equity market has continued to achieve new all-time highs this year, supported by a resilient economic backdrop that has fuelled an earnings recovery and driven optimism for further earnings expansion in the coming quarters. Growth stocks, particularly the seven mega-cap names, remain the primary drivers of this year's rally. Year-to-date (YTD), these seven companies have delivered returns of 20%, compared to 6% for the rest of the market. However, we anticipate a broader sectoral and stock participation in the equity rally, with earnings growth outside of these major players expected to improve. First-quarter 2024 earnings are likely to mark the low point for the year, with sequential and year-over-year (YoY) earnings growth projected to accelerate thereafter.

In Europe, the manufacturing sector is gradually rebounding, as evidenced by an uptick in manufacturing purchasing managers' indices. The recent rate cuts by the European Central Bank (ECB) could offer further relief to households and businesses alike. Fiscal policy may also play an increasingly active role in stimulating demand, particularly in areas like green energy transition and defence spending amid the ongoing Russia-Ukraine conflict. Compared to the US, European economies appear to have more potential for upside surprises.

In China, economic performance remains mixed, with production growth outpacing consumption. Manufacturing investment continues to be a key driver of growth, supported by government policies focused on fostering new industries such as advanced manufacturing, renewable energy, and electric vehicles, while real estate investment remains weak. Following strong economic activity in January and February, China's momentum moderated significantly in March, with April data indicating further slowing in domestic demand, particularly in retail sales and fixed investment.

Chinese equities have seen an impressive rally. Since 24 September, the CSI 300 Index has risen 25%, the Hang Seng China Enterprise Index (H-share) is up 17.5%, and the MSCI China Index has gained 21.3%. This surge was driven by a series of economic stimulus measures announced by the People's Bank of China (PBoC), the China Securities Regulatory Commission (CSRC) and the National Financial Regulatory Administration (NFRA), alongside an early Politburo meeting on 26 September that emphasized growth, housing, employment and social welfare as priorities.

V. FUTURE PROSPECTS AND PROPOSED STRATEGIES

The global economy growth has exceeded expectations in 2024, with resilient growth momentum that could extend into 2025. This outlook is bolstered by some central banks having the capacity to ease monetary policy, providing additional support for sustained growth. While risks remain, particularly from potential shocks, central banks are well-equipped with tools to address unforeseen disruptions.

In alignment with our investment strategy, we will continue to prioritize holdings that exhibit resilient earnings growth and a strong commitment to higher Environmental, Social and Governance (ESG) standards. These criteria are essential pillars of our sustainable and responsible investment approach. Earnings growth estimates for the global tech sector remain strong and as long as investor focus stays on AI globally, we remain constructive on the global tech sector.

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.

IX. SUSTAINABILITY AND RESPONSIBLE INVESTMENT (SRI) REPORT

During the financial period under review, the Fund had complied with the requirements of the Guidelines on Sustainable and Responsible Investment Funds (SRI).

The Fund is a qualified SRI fund. The Fund follows a rule-based strategy and will only invest in stocks of companies with a strong ESG scoring. The Fund will incorporate the principles of ESG in security selection through MSCI ESG Ratings. MSCI ESG Ratings is designed to measure a company's resilience to long-term, industry material ESG risks. Key ESG factors used in the rating process include among others climate change, usage of natural capital, pollution and waste management, environmental opportunities, human capital management, product liability, stakeholder opposition, social opportunities, corporate governance and corporate behaviour. MSCI ESG Ratings are derived by applying weighted averages on ESG factors based on MSCI's mapping framework and companies' scores are normalised by their industries. These assessments are not absolute but are explicitly intended to be interpreted relative to a company's industry peers. Through MSCI ESG Ratings, companies with poor performance on ESG factors would be excluded in the investable universe. The investable universe of the Fund comprises all equities with a minimum of BBB ESG rating by MSCI.

The Manager has discretion in managing the Fund's asset allocation and stock selection from the refined stock universe above. The fund manager will review the ESG aspects of the Fund's portfolio periodically to ensure the investments of the Fund are consistent with the ESG considerations adopted by the Fund. If the Fund's investments become inconsistent with the ESG considerations of the Fund in the event of a downgrade in the ESG rating of a company below the minimum requirement, the Manager shall dispose of the said investments within an appropriate timeframe.

The Fund emphasises on responsible investing and as such will ensure a minimum of 70% of its NAV is invested in accordance with ESG criteria. During the financial period under review, two stocks were disposed of due to downgrade in their ESG rating to below BBB by MSCI. The fund manager reviewed the ESG aspects of the Fund's portfolio during the financial period under review to ensure all the investments of the Fund are consistent with the ESG considerations adopted by the Fund.

While the portfolio managers and analysts are provided with information on sustainability risks, and are expected to take sustainability risks into account when making an investment decision, sustainability risk would not by itself prohibit an investment. Instead, sustainability risk forms part of the overall risk management processes, and is one of many risks which may, depending on the specific investment opportunity, be relevant to a determination of overall risk. It is the responsibility of each relevant investment team to seek to identify material sustainability risk relevant to each strategy covered, taking into account risks by industries, sectors and regions, including the anticipated time horizon of the investment and the risk.

This sets out an integration of sustainability risks in investment decision-making and investment advisory processes. However, assessment of sustainability risk requires subjective judgements, and may include consideration of third-party data that is incomplete or inaccurate. There can be no guarantee that the portfolio managers/analysts will correctly assess the impact of sustainability risk on all the investments.

STATEMENT BY THE MANAGER

I, Chue Kwok Yan, as the Director of Hong Leong Asset Management Bhd, do hereby state that, in the opinion of the Manager, the accompanying unaudited condensed financial statements set out on pages 13 to 44 are drawn up in accordance with the provision of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period ended 30 September 2024 in accordance with the Malaysian Financial Reporting Standard 134 “Interim Financial Reporting” and International Accounting Standard 34 “Interim Financial Reporting”.

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

CHUE KWOK YAN
Chief Executive Officer/Executive Director

Kuala Lumpur
22 November 2024

TRUSTEE’S REPORT

TO THE UNIT HOLDERS OF HONG LEONG GLOBAL ESG FUND (“Fund”)

We have acted as Trustee of the Fund for the financial period ended 30 September 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **Hong Leong Asset Management Bhd** has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For and on behalf of
CIMB Commerce Trustee Berhad

Datin Ezreen Eliza binti Zulkiplee
Chief Executive Officer

Kuala Lumpur
22 November 2024

CONDENSED STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Note	2024 RM	2023 RM
INVESTMENT INCOME/(LOSS)			
Interest income from financial assets measured at amortised cost		6,798	3,162
Dividend income		67,938	43,803
Net gain/(loss) on derivatives	7	374,672	(105,175)
Net loss on financial assets at fair value through profit or loss ("FVTPL")	8	(252,518)	(289,348)
Net foreign currency exchange (loss)/gain		(80,832)	12,566
		<u>116,058</u>	<u>(334,992)</u>
EXPENDITURE			
Management fee	4	(65,398)	(9,973)
Trustee's fee	5	(1,308)	(997)
Auditors' remuneration		(4,866)	(4,850)
Tax agent's fee		(2,256)	(2,251)
Custodian fees		(3,652)	(5,257)
Transaction costs		(12,136)	(9,892)
Other expenses		(14,125)	(9,640)
		<u>(103,741)</u>	<u>(42,860)</u>
PROFIT/(LOSS) BEFORE TAXATION		12,317	(377,852)
Taxation	6	-	(6,402)
PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		<u>12,317</u>	<u>(384,254)</u>
Profit/(loss) after taxation is made up as follows:			
Realised amount		(18,877)	(108,181)
Unrealised amount		31,194	(276,073)
		<u>12,317</u>	<u>(384,254)</u>

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

CONDENSED STATEMENT OF FINANCIAL POSITION *(Unaudited)*

AS AT 30 SEPTEMBER 2024

	Note	30.09.2024 RM	31.03.2024 RM
ASSETS			
Cash and cash equivalents		981,568	484,329
Amount due from the Manager			
-creation of units		117,000	47,600
Derivatives	7	147,474	-
Dividends receivable		8,737	8,989
Tax recoverable		5,265	-
Financial assets at FVTPL	8	8,038,072	7,809,682
TOTAL ASSETS		<u>9,298,116</u>	<u>8,350,600</u>
LIABILITIES			
Amount due to the Manager			
-management fee		11,089	10,327
Amount due to the Trustee		222	7,628
Derivatives	7	-	27,019
Other payables and accruals		14,051	17,810
Tax payable		-	1,240
TOTAL LIABILITIES		<u>25,362</u>	<u>64,024</u>
NET ASSET VALUE OF THE FUND		<u>9,272,754</u>	<u>8,286,576</u>
EQUITY			
Unit holders' capital		8,813,831	7,839,970
Retained earnings		458,923	446,606
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>9,272,754</u>	<u>8,286,576</u>
UNITS IN CIRCULATION (UNITS)	9	8,864,607	7,926,948
NET ASSET VALUE PER UNIT (RM)		<u>1.0460</u>	<u>1.0454</u>

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

CONDENSED STATEMENT OF CHANGES IN EQUITY *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	Unit holders' capital RM	Retained earnings/ (accumulated loss) RM	Total RM
Balance as at 1 April 2024	7,839,970	446,606	8,286,576
Movement in net asset value:			
Creation of units from applications	1,500,651	-	1,500,651
Cancellation of units	(526,790)	-	(526,790)
Total comprehensive income for the financial period	-	12,317	12,317
Balance as at 30 September 2024	8,813,831	458,923	9,272,754
Balance as at 1 April 2023	3,325,400	(26,945)	3,298,455
Movement in net asset value:			
Creation of units from applications	2,931,372	-	2,931,372
Cancellation of units	(576,254)	-	(576,254)
Total comprehensive loss for the financial period	-	(384,254)	(384,254)
Balance as at 30 September 2023	5,680,518	(411,199)	5,269,319

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

CONDENSED STATEMENT OF CASH FLOWS *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sales of financial assets at FVTPL	2,129,193	975,885
Purchase of financial assets at FVTPL	(2,617,943)	(2,753,978)
Realised gain/(loss) on derivatives	200,179	(84,306)
Realised foreign exchange differences arising from operating activities	(69,959)	11,587
Interest income received from financial assets measured at amortised cost	6,798	3,162
Dividend income received	54,538	32,880
Management fee paid	(64,636)	(9,171)
Trustee's fee paid	(8,714)	(15,347)
Payment for other fees and expenses	(19,534)	(11,464)
Tax paid	(6,505)	(975)
Net cash used in operating activities	(396,583)	(1,851,727)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	1,431,251	2,885,198
Payments for cancellation of units	(526,790)	(576,571)
Net cash generated from financing activities	904,461	2,308,627
NET INCREASE IN CASH AND CASH EQUIVALENTS	507,878	456,900
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	(10,639)	902
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	484,329	260,726
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	981,568	718,528

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Hong Leong Global ESG Fund ("the Fund") was constituted pursuant to the execution of a Deed dated 8 October 2021 and First Supplemental Deed dated 16 August 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 provide medium to long-term capital growth by investing in a globally diversified portfolio of companies with a focus on ESG criteria in the investment process.

The Fund will invest a minimum of 80% of its net asset value in equities and equity-related securities globally in order to gain medium to long-term capital growth. The balance of Fund's net asset value may be invested in money market instruments and deposits with financial institutions. The Fund commenced operations on 20 April 2022 and will continue its operations until terminated as provided under Part 12 of the Deeds.

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

(a) Basis of preparation

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

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

(b) Financial assets and financial liabilities

Classification

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

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

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

The Fund classifies cash and cash equivalents, amount due from 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 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.

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 and collective investment scheme held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

(d) Income recognition

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

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

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

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

Realised gain or loss on 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) Distribution

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

(i) Transaction costs

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

(j) Unit holders' capital

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

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

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

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

(k) Derivatives

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

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

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

The Fund's 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 statement of financial position with the resulting value discounted back to present value.

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

(l) Fair value of financial instruments

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

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

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

	Financial assets/ liabilities at FVTPL RM	Financial assets/ liabilities at amortised cost RM	Total RM
30.09.2024			
<u>Financial assets</u>			
Cash and cash equivalents	-	981,568	981,568
Amount due from the Manager			
-creation of units	-	117,000	117,000
Derivatives (Note 7)	147,474	-	147,474
Dividends receivable	-	8,737	8,737
Financial assets at FVTPL (Note 8)	8,038,072	-	8,038,072
	8,185,546	1,107,305	9,292,851
<u>Financial liabilities</u>			
Amount due to the Manager			
-management fee	-	11,089	11,089
Amount due to the Trustee	-	222	222
Other payables and accruals	-	14,051	14,051
	-	25,362	25,362
31.03.2024			
<u>Financial assets</u>			
Cash and cash equivalents	-	484,329	484,329
Amount due from the Manager			
-creation of units	-	47,600	47,600
Dividends receivable	-	8,989	8,989
Financial assets at FVTPL (Note 8)	7,809,682	-	7,809,682
	7,809,682	540,918	8,350,600
<u>Financial liabilities</u>			
Amount due to the Manager			
-management fee	-	10,327	10,327
Amount due to the Trustee	-	7,628	7,628
Derivatives (Note 7)	27,019	-	27,019
Other payables and accruals	-	17,810	17,810
	27,019	35,765	62,784

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/year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

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

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

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

(i) Fair value hierarchy

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

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

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

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

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
30.09.2024				
<u>Financial assets at FVTPL:</u>				
- Quoted equity securities				
- foreign	7,412,525	-	-	7,412,525
- Quoted collective investment schemes				
- foreign	625,547	-	-	625,547
<u>Financial assets:</u>				
- Derivatives	-	147,474	-	147,474
	8,038,072	147,474	-	8,185,546
31.03.2024				
<u>Financial assets at FVTPL:</u>				
- Quoted equity securities				
- foreign	7,107,333	-	-	7,107,333
- Quoted collective investment schemes - foreign	702,349	-	-	702,349
	7,809,682	-	-	7,809,682
<u>Financial liabilities:</u>				
- Derivatives	-	(27,019)	-	(27,019)

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

- (ii) The carrying values of financial assets (other than financial assets at FVTPL and derivatives) 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 September 2024, the management fee is recognised at a rate of 1.50% (2023: 0.50%) 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 0.05% per annum subject to a minimum of RM15,000 (excluding foreign custodian fees and charges) per annum calculated daily based on the net asset value of the Fund.

For the financial period ended 30 September 2024, the Trustee's fee is recognised at a rate of 0.05% (2023: 0.05%) per annum.

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

6. TAXATION

	2024 RM	2023 RM
Tax charge for the financial period:		
Current taxation	-	6,402

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

	2024 RM	2023 RM
Profit/(loss) before taxation	12,317	(377,852)
Taxation at Malaysian statutory rate of 24% (2023: 24%)	2,956	(90,684)
Tax effects of:		
(Investment income not subject to tax)/ Investment loss disallowed from tax	(27,854)	89,900
Expenses not deductible for tax purposes	6,940	3,308
Restriction on tax deductible expenses for unit trust fund	17,958	3,878
Taxation	-	6,402

7. DERIVATIVES

Derivatives comprise forward currency contracts. The positive/(negative) fair value represents the unrealised gain/(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 positive/(negative) fair value at the end of each reporting date is analysed below:

	30.09.2024 RM	31.03.2024 RM
<u>Derivative assets:</u>		
Forward currency contracts	147,474	-
<u>Derivative liabilities:</u>		
Forward currency contracts	-	27,019
	2024 RM	2023 RM
<u>Net gain/(loss) on derivatives:</u>		
Realised gain/(loss) on disposals	200,179	(84,306)
Changes in unrealised fair values	174,493	(20,869)
	374,672	(105,175)

	Maturity date	Contract or underlying principal amounts	*Fair value RM
30.09.2024			
Australian Dollar	within 1 month	43,000	1,569
Hong Kong Dollar	within 1 month	512,000	13,466
New Taiwan Dollar	within 1 month	53,353#	(15,001)
Singapore Dollar	within 1 month	64,000	7,552
South Korean Won	within 1 month	33,222+	(11,495)
The Euro	within 1 month	34,000	5,528
United States Dollar	within 1 month	634,000	126,800
United States Dollar	within 1 month	53,353	11,743
United States Dollar	within 1 month	33,222	7,312
			147,474
31.03.2024			
Australian Dollar	within 1 month	59,000	708
Hong Kong Dollar	within 1 month	1,255,000	628
New Taiwan Dollar	within 1 month	46,382#	(7,589)
Singapore Dollar	within 1 month	58,000	1,015
The Euro	within 1 month	49,000	960
United States Dollar	within 1 month	535,382	(22,741)
			(27,019)

This is the equivalent US Dollar amount used to hedge TWD1,798,000 (31.03.2024: TWD1,532,000).

+ This is the equivalent US Dollar amount used to hedge KRW47,174,999 (31.03.2024: Nil).

* 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 %
30.09.2024				
Hong Leong Bank Berhad	24,583	(26,496)	(1,913)	0.02
Hong Leong Investment Bank Berhad	149,387	-	149,387	1.61
	173,970	(26,496)	147,474	1.63
31.03.2024				
Hong Leong Bank Berhad	960	(9,792)	(8,832)	0.11
Hong Leong Investment Bank Berhad	2,351	(20,538)	(18,187)	0.22
	3,311	(30,330)	(27,019)	0.33

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

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

	30.09.2024 RM	31.03.2024 RM
<u>Financial assets at FVTPL:</u>		
Quoted equity securities - foreign	7,412,525	7,107,333
Quoted collective investment schemes - foreign	625,547	702,349
	<u>8,038,072</u>	<u>7,809,682</u>

	2024 RM	2023 RM
<u>Net loss on financial assets at FVTPL:</u>		
Realised loss on disposals	(120,092)	(33,165)
Changes in unrealised fair values	(132,426)	(256,183)
	<u>(252,518)</u>	<u>(289,348)</u>

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

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EQUITY SECURITIES - FOREIGN				
Australia				
<u>Beverages</u>				
Treasury Wine Estates Limited	7,194	262,440	246,820	2.66
Total Australia	7,194	262,440	246,820	2.66
Hong Kong				
<u>Electronics</u>				
AAC Technologies Holdings Inc	14,500	146,271	245,383	2.65
<u>Insurance</u>				
AIA Group Limited	10,000	390,099	369,493	3.98
Total Hong Kong	24,500	536,370	614,876	6.63
Netherlands				
<u>Semiconductors</u>				
ASML Holding N.V.	100	302,219	342,931	3.70
Total Netherlands	100	302,219	342,931	3.70

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
Singapore				
<u>Banks</u>				
Oversea-Chinese Banking Corporation Limited	3,400	141,501	165,022	1.78
Total Singapore	3,400	141,501	165,022	1.78
South Korea				
<u>Semiconductors</u>				
Samsung Electronics Co. Ltd.	700	169,705	134,979	1.45
SK Hynix Inc	300	166,155	164,232	1.77
	1,000	335,860	299,211	3.22
Total South Korea	1,000	335,860	299,211	3.22
Taiwan				
<u>Semiconductors</u>				
Taiwan Semiconductor Manufacturing Company Limited	4,000	307,329	498,023	5.37
Total Taiwan	4,000	307,329	498,023	5.37
United States				
<u>Building Materials</u>				
Johnson Controls International PLC	900	263,365	287,848	3.10
Trane Technologies PLC	170	257,093	272,333	2.94
	1,070	520,458	560,181	6.04
<u>Commercial Services</u>				
PayPal Holdings, Inc.	1,300	406,934	418,030	4.51
<u>Communication</u>				
Alphabet Inc - CL C	420	264,563	289,376	3.12
<u>Computers</u>				
Apple Inc.	260	204,830	249,650	2.69
<u>Diversified Financial Services</u>				
Mastercard Incorporated	130	230,000	264,543	2.85
Visa Inc.	200	205,510	226,614	2.45
	330	435,510	491,157	5.30
<u>Electronics</u>				
Honeywell International Inc.	400	365,344	340,741	3.67
<u>Financials</u>				
JPMorgan & Co.	300	288,553	260,686	2.81
<u>Information Technology</u>				
Nvidia Corporation	900	352,110	450,409	4.86
<u>Media</u>				
The Walt Disney Company	660	282,826	261,623	2.82

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
<u>Miscellaneous Manufacturing</u>				
3M Company	570	257,665	321,104	3.46
<u>Pharmaceuticals</u>				
Eli Lilly & Co.	90	356,141	328,586	3.54
<u>Semiconductors</u>				
Broadcom Inc.	700	330,842	497,611	5.37
Marvell Technology Inc.	1,300	418,766	386,369	4.17
	2,000	749,608	883,980	9.54
<u>Software</u>				
Microsoft Corporation	220	304,304	390,119	4.21
Total United States	8,520	4,788,846	5,245,642	56.57
TOTAL QUOTED EQUITY SECURITIES - FOREIGN	48,714	6,674,565	7,412,525	79.93
QUOTED COLLECTIVE INVESTMENT SCHEMES - FOREIGN				
Singapore				
<u>Real Estate Investment Trust</u>				
Frasers Logistics & Commercial Trust	70,000	280,879	258,751	2.79
Total Singapore	70,000	280,879	258,751	2.79
United States				
<u>Real Estate Investment Trust</u>				
Digital Realty Trust Inc	550	281,446	366,796	3.96
Total United States	550	281,446	366,796	3.96
TOTAL QUOTED COLLECTIVE INVESTMENT SCHEMES - FOREIGN	70,550	562,325	625,547	6.75
TOTAL INVESTMENTS	119,264	7,236,890	8,038,072	86.68
UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL		801,182		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		8,038,072		

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

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EQUITY SECURITIES - FOREIGN				
Australia				
<u>Beverages</u>				
Treasury Wine Estates Limited	7,097	258,655	272,707	3.29
<u>Health Care-services</u>				
Ramsay Health Care Limited	503	92,583	87,729	1.06
Total Australia	7,600	351,238	360,436	4.35
Hong Kong				
<u>Electronics</u>				
AAC Technologies Holdings Inc	30,000	302,629	476,123	5.74
<u>Insurance</u>				
AIA Group Limited	6,000	254,102	190,630	2.30
<u>Internet</u>				
Alibaba Group Holding Limited	4,600	226,083	195,377	2.36
<u>Lodging</u>				
Sands China Limited	19,000	269,050	253,297	3.06
<u>Miscellaneous manufacturing</u>				
Sunny Optical Technology (Group) Company Limited	12,000	505,521	289,845	3.50
Total Hong Kong	71,600	1,557,385	1,405,272	16.96
Netherlands				
<u>Semiconductors</u>				
ASML Holding N.V.	110	308,945	501,604	6.05
Total Netherlands	110	308,945	501,604	6.05
Singapore				
<u>Banks</u>				
Oversea-Chinese Banking Corporation Limited	3,400	141,501	160,797	1.94
Total Singapore	3,400	141,501	160,797	1.94
Taiwan				
<u>Semiconductors</u>				
Taiwan Semiconductor Manufacturing Company Limited	4,000	307,329	460,545	5.56
Total Taiwan	4,000	307,329	460,545	5.56

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
United States				
<u>Building materials</u>				
Johnson Controls International PLC	1,100	303,698	340,011	4.10
<u>Commercial Services</u>				
PayPal Holdings, Inc.	1,300	406,934	412,104	4.97
<u>Communication Services</u>				
Alphabet Inc - CL C	570	359,050	410,690	4.96
<u>Computers</u>				
Apple Inc.	260	204,830	210,980	2.55
<u>Diversified Financial Services</u>				
Mastercard Incorporated	90	146,075	205,096	2.48
Visa Inc.	150	149,349	198,095	2.39
	240	295,424	403,191	4.87
<u>Electronics</u>				
Honeywell International Inc.	400	365,344	388,505	4.69
<u>Information Technology</u>				
Nvidia Corporation	72	257,692	307,853	3.71
<u>Media</u>				
The Walt Disney Company	660	282,826	382,153	4.61
<u>Miscellaneous Manufacturing</u>				
3M Company	560	280,519	281,083	3.39
<u>Semiconductors</u>				
Broadcom Inc	90	425,369	564,478	6.81
<u>Software</u>				
Microsoft Corporation	260	359,632	517,631	6.25
Total United States	5,512	3,541,318	4,218,679	50.91
TOTAL QUOTED EQUITY SECURITIES - FOREIGN	92,222	6,207,716	7,107,333	85.77
QUOTED COLLECTIVE INVESTMENT SCHEMES - FOREIGN				
Hong Kong				
<u>Real Estate Investment Trust</u>				
Link REIT	8,000	207,560	162,758	1.97
Total Hong Kong	8,000	207,560	162,758	1.97
Singapore				
<u>Real Estate Investment Trust</u>				
Frasers Logistics & Commercial Trust	70,000	280,879	260,130	3.14
Total Singapore	70,000	280,879	260,130	3.14

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
United States				
<u>Real Estate Investment Trust</u>				
Digital Realty Trust Inc	410	179,919	279,461	3.37
Total United States	410	179,919	279,461	3.37
TOTAL QUOTED COLLECTIVE INVESTMENT SCHEMES - FOREIGN	78,410	668,358	702,349	8.48
TOTAL INVESTMENTS	170,632	6,876,074	7,809,682	94.25
UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL		933,608		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		7,809,682		

9. UNITS IN CIRCULATION

	01.04.2024 to 30.09.2024 No. of units	01.04.2023 to 31.03.2024 No. of units
At the beginning of the financial period/year	7,926,948	3,328,869
Add: Creation of units during the financial period/year		
- Arising from applications	1,428,647	5,239,223
Less: Cancellation of units during the financial period/year	(490,988)	(641,144)
At the end of the financial period/year	8,864,607	7,926,948

10. TOTAL EXPENSE RATIO (“TER”)

	2024 %	2023 %
TER (annualised)	1.89	1.41

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

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

Where;

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

The average net asset value of the Fund for the financial period calculated on a daily basis is RM8,701,185 (2023: RM4,001,874).

11. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024 Times	2023 Times
PTR	0.28	0.47

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisitions for the financial period} + \text{total disposals for the financial period})}{2}$$

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

Where;

- total acquisitions for the financial period
= RM2,612,354 (2023: RM2,746,432)
- total disposals for the financial period
= RM2,255,832 (2023: RM1,011,396)

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

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

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

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

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

	30.09.2024 RM	31.03.2024 RM
<u>Related party balances</u>		
Cash at bank:		
- Hong Leong Bank Berhad	27,236	215,235
Derivatives:		
Hong Leong Bank Berhad	(1,913)	(8,832)
Hong Leong Investment Bank Berhad	149,387	(18,187)
	<u>147,474</u>	<u>(27,019)</u>
	2024 RM	2023 RM
<u>Related party transactions</u>		
Interest income from auto-sweep facility bank account:		
- Hong Leong Bank Berhad	6,792	3,160

13. 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				
Maybank Investment Bank Berhad	1,311,351	27.62	2,131	25.65
CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd)	1,236,448	26.05	1,898	22.84
CLSA Limited	1,017,132	21.43	2,547	30.66
DBS Vickers Securities (Singapore) Pte Ltd	842,969	17.76	1,051	12.65
Affin Hwang Investment Bank Berhad	339,237	7.14	681	8.20
	<u>4,747,137</u>	<u>100.00</u>	<u>8,308</u>	<u>100.00</u>

	Values of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of total brokerage fees %
2023				
CGS-CIMB Securities Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd)	1,029,436	27.60	1,728	27.60
DBS Vickers Securities (Singapore) Pte Ltd	817,028	21.91	1,393	22.25
CLSA Limited	606,853	16.27	750	11.98
Maybank Investment Bank Berhad	518,090	13.89	769	12.28
Shenwan Hongyuan (Hong Kong) Limited	387,188	10.38	772	12.33
Credit Suisse (Hong Kong) Limited	271,446	7.28	649	10.37
Affin Hwang Investment Bank Berhad	99,822	2.67	200	3.19
	<u>3,729,863</u>	<u>100.00</u>	<u>6,261</u>	<u>100.00</u>

Performance Data

for the Financial Periods Ended 30 September/31 March and
Financial Year Ended 31 March

		Financial Period Sep 2024 %	Financial Year 2024 %	Financial Period Mar 2023^ %
A.	(i) Portfolio Compositions:			
	By Sector:			
	Apparel	–	–	3.68
	Auto Manufacturers	–	–	3.05
	Banks	1.78	1.94	6.84
	Beverages	2.66	3.29	1.99
	Building Materials	6.04	4.10	3.55
	Commercial Services	4.51	4.97	5.25
	Communication	3.12	–	–
	Communication Services	–	4.96	–
	Computers	2.69	2.55	3.97
	Diversified Financial Services	5.30	4.87	7.96
	Electric	–	–	3.92
	Electronics	6.32	10.43	7.11
	Financials	2.81	–	–
	Health Care-services	–	1.06	3.00
	Information Technology	4.86	3.71	–
	Insurance	3.98	2.30	2.54
	Internet	–	2.36	–
	Lodging	–	3.06	2.70
	Media	2.82	4.61	3.62
	Miscellaneous Manufacturing	3.46	6.89	10.54
	Pharmaceuticals	3.54	–	1.92
	Semiconductors	21.83	18.42	8.77
	Software	4.21	6.25	4.24
	Collective Investment Schemes	6.75	8.48	8.14
	Deposits & Cash Equivalents	13.32	5.75	7.21
	By Country:			
	Australia	2.66	4.35	4.99
	France	–	–	3.68
	Hong Kong	6.63	18.93	17.67
	Netherlands	3.70	6.05	4.09
	Singapore	4.57	5.08	8.73
	South Korea	3.22	–	–
	Taiwan	5.37	5.56	4.68
	United States	60.53	54.28	48.95
	Deposits & Cash Equivalents	13.32	5.75	7.21
(ii)	Total Net Asset Value (ex-distribution)	RM9,272,754	RM8,286,576	RM3,298,455
(iii)	Net Asset Value Per Unit (ex-distribution)	RM1.0460	RM1.0455	RM0.9909
	Units in Circulation (ex-distribution)	8,864,607	7,926,948	3,328,869
(iv)	Highest/Lowest NAV Per Unit (ex-distribution)	RM1.1194 RM0.9767	RM1.0466 RM0.9096	RM1.0957 RM0.9429
(v)	Total Return of the Fund*	0.05%	5.51%	-0.91%
	- Capital Growth	0.05%	5.51%	-0.91%
	- Income Distribution	–	–	–
(vi)	The distribution (gross) is made out of:-			
	- The Fund's Capital	–	–	–
	- The Fund's Income	–	–	–
	- Total Distribution Amount	–	–	–
	- The Fund's Capital (% of Total Distribution Amount)	–	–	–
	- The Fund's Income (% of Total Distribution Amount)	–	–	–

Performance Data

for the Financial Periods Ended 30 September/31 March and
Financial Year Ended 31 March

		Financial Period Sep 2024 %	Financial Year 2024 %	Financial Period Mar 2023^ %
(vii) Distribution Per Unit	Additional Units	-	-	-
	Distribution (Gross)	-	-	-
	Distribution (Net)	-	-	-
	Distribution Date	-	-	-
	Cum-Distribution NAV/Unit	-	-	-
	Ex-Distribution NAV/Unit	-	-	-
(viii) Total Expense Ratio (TER)		1.89%#	1.95%	3.40%
(ix) Portfolio Turnover Ratio (PTR) (times)		0.28##	0.70	1.40
B. Average Total Return, NAV Per Unit-to-NAV Per Unit basis (as at 30/09/2024)*				
(i) One year		13.17%		

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

^ The figure shown is for the period since Fund launch (20 April 2022 to 31 March 2023).

The TER was decreased by 0.48 percentage point higher as compared to 1.41% for the financial period from 1 April 2023 to 30 September 2023 mainly due to increase in expenses of the Fund.

The PTR decreased by 0.42 times (60%) to 0.28 times for the financial period from 1 April 2024 to 30 September 2024 versus 0.70 times for the financial year ended 31 March 2024 mainly due to higher average net asset value of the Fund and decreased by 0.19 times (40.43%) as compared to 0.47 times for the financial period from 1 April 2023 to 30 September 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

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

