

Hong Leong Global ESG Fund

Contents

	Page
Manager's Review and Report	1-9
Statement by the Manager	10
Trustee's Report	11
Condensed Statement of Comprehensive Income	12
Condensed Statement of Financial Position	13
Condensed Statement of Changes In Equity	14
Condensed Statement of Cash Flows	15
Notes to the Condensed Financial Statements	16-43
Performance Data	44-47
Corporate Information	48
Corporate Directory	49

Manager's Review and Report

I. FUND INFORMATION

Fund Name

Hong Leong Global ESG 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

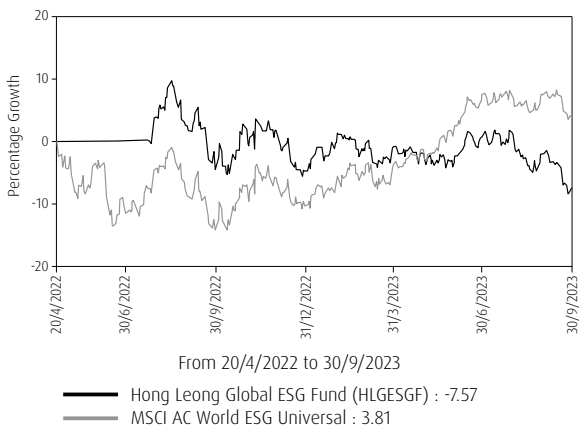
MSCI ACWI ESG Universal Index

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 financial period from 1 April 2023 to 30 September 2023.

The Fund posted a return of -6.72% (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 registered a return of 7.93% (in Malaysian Ringgit terms).

Since launch, the Fund has registered a return of -7.57% while its benchmark the MSCI AC World ESG Universal registered a return of 3.81% (in Malaysian Ringgit terms).

Table 1: Performance of the Fund for the following periods as at 30 September 2023 (Source: Lipper for Investment Management)

	30/06/23- 30/09/23 3 Months	31/03/23- 30/09/23 6 Months	30/09/22- 30/09/23 1 Year	20/04/22- 30/09/23 Since Launch
HLGESGF Return (%)	-8.24	-6.72	-3.14	-7.57
Benchmark (%)	-3.38	7.93	20.99	3.81

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

	30-Sep-23	31-Mar-23	Return (%)
NAV Per Unit	RM0.9243*	RM0.9909	-6.72
Benchmark	10,794.35	10,001.20	7.93
vs Benchmark (%)	-	-	-14.65

* Based on the NAV Per Unit on 29 September 2023 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-23 (RM)	31-Mar-23 (RM)	Change (%)
Unit Holders' Capital	5,680,518	3,325,400	70.82
Accumulated Loss	(411,199)	(26,945)	(1426.07)
Net Asset Value	5,269,319	3,298,455	59.75
Units in Circulation	5,701,220	3,328,869	71.27

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

	Financial Period 31/03/23- 30/09/23	Financial Period 20/04/22- 31/03/23
Highest NAV Per Unit (RM)	1.0177	1.0957
Lowest NAV Per Unit (RM)	0.9159	0.9429
Capital Growth (%)	-6.72	-0.91
Income Distribution (%)	-	-
Total Return (%)	-6.72	-0.91

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

	30/09/22- 30/09/23 1 Year
Average Total Return (%)	-3.14

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

Financial Period	20/04/22- 31/03/23 Since Launch
Annual Total Return (%)	-0.91

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 2023 to September 2023

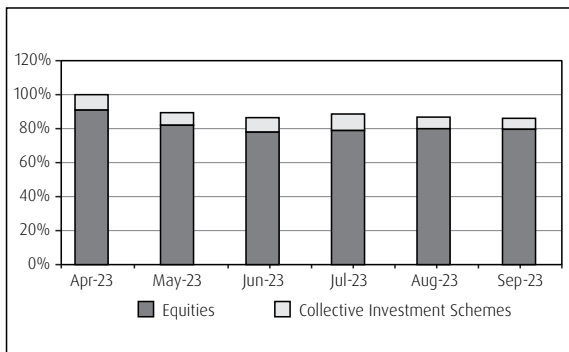


Chart 3: Sector Allocation as at 30 September 2023

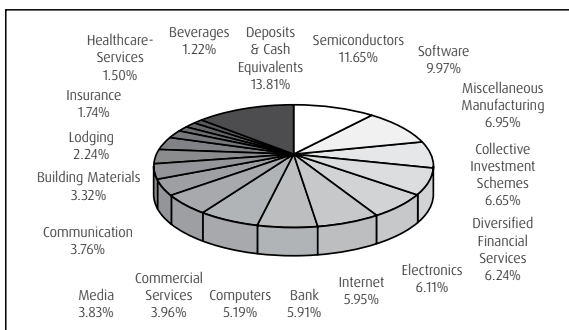
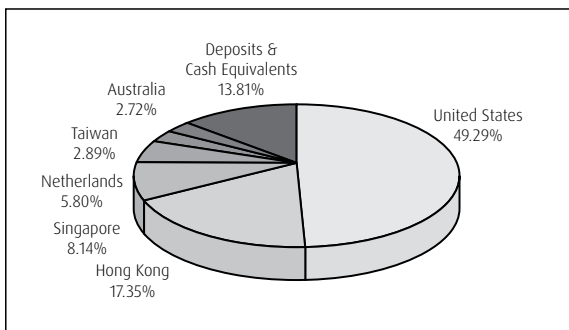


Chart 4: Geographical Allocation as at 30 September 2023



Strategies employed by the Fund during the period under review

The fund invested into companies with strong MSCI's Environmental, Social and Governance (ESG) ratings, across diversified sectors which have good earnings prospects and trading at reasonable valuations.

An explanation on the differences in portfolio composition

During the financial period under review, the fund has diversified its geographical allocation to Hong Kong, Singapore, Netherlands, Taiwan and Australia markets. Higher diversification in terms of sectors as well to capture the earnings growth in the various sectors.

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

In the United States (US), mega-cap stocks continue to dominate, driven by enthusiasm for generative artificial intelligence technologies like ChatGPT. The top seven technology stocks have delivered an impressive year-to-date return, with Nvidia standing out. Apple surpassed a market capitalization of \$3 trillion following the introduction of its ground breaking Vision Pro.

Within the fixed-income arena, 10-Year government bond yields continued their upward trajectory, reaching fresh cycle highs in both the United States (4.61%) and Germany (2.93%). Commodity markets remained in the spotlight, with Brent crude oil surging by 10% to \$95 per barrel, primarily due to Saudi Arabia's decision to extend production cuts. In contrast, gold faced headwinds, declining by 5% to \$1,849, primarily attributed to rising real bond yields and a stronger US Dollar.

US core inflation, excluding food and energy, has started to recede, expected to continue as supply bottlenecks ease and prices normalize. The primary obstacle to inflation hitting the Federal Reserve's (Fed) 2% target is a nearly 6% increase in wages. The Fed has raised the federal funds rate by 5 percentage points in the past 14 months, approaching its peak for interest rate hikes. While policy is becoming restrictive, the possibility of Fed Chairman Jerome Powell raising interest rates once or twice more this year remains. Powell emphasizes that preventing entrenched inflation is a higher priority than avoiding monetary policy tightening-induced recession.

The economic outlook for Europe is dimming, with Gross Domestic Product (GDP) growth reported as negative in both the fourth quarter of 2022 and the first quarter of 2023, potentially indicating a recession. The tight labour market and accelerating wage growth contribute to these concerns. The European Central Bank (ECB) maintains a hawkish stance, which supports the euro in the short term but carries medium-term risks if the ECB makes policy missteps. Despite the ECB's decision to raise the deposit rate to 3.5% in June, the region may still face economic challenges.

China's economy is slowing after a robust first quarter, with a focus on consumption. Chinese consumers remain cautious, and excess savings levels are relatively low. In the second quarter, China's GDP grew by 6.3% on a year-on-year (YoY) basis, a figure that fell short of the earlier forecast of 7.3%. Slower domestic consumption and shrinking private fixed-asset investments emerged as the primary culprits behind this deceleration in economic growth.

The impact of China's economic challenges was particularly evident in its import and export figures for July 2023. Official data revealed that exports had fallen by 14.5% in July compared to the previous year, while imports experienced a 12.4% drop. These declines represented the most significant contraction since February 2020, during the height of the pandemic. Notably, exports to major trading partners like the US saw a YoY decrease of 23.1%, and the European Union reduced its imports from China by 20.6%.

V. FUTURE PROSPECTS AND PROPOSED STRATEGIES

Our portfolio holdings remain overweighted, driven by several factors. These include our expectation of peaking interest rates and reduced recession risks. Additionally, we anticipate a resurgence in the semiconductor sector during the latter half of 2023, as the inventory correction nears completion in the first half of the year. In alignment with our investment strategy, we will continue to prioritize holdings that exhibit resilient earnings growth and a strong commitment to higher ESG standards. These criteria are essential pillars of our sustainable and responsible investment approach.

VI. SOFT COMMISSIONS

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

VII. SECURITIES LENDING OR REPURCHASE TRANSACTIONS

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

VIII. CROSS TRADE TRANSACTIONS

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

STATEMENT BY THE MANAGER

I, Hoo See Kheng, as the Director of Hong Leong Asset Management Bhd, do hereby state that, in the opinion of the Manager, the accompanying unaudited condensed financial statements set out on pages 12 to 43 are drawn up in accordance with the provision of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2023 and of its financial performance, changes in equity and cash flows for the financial period ended 30 September 2023 in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" and International Financial Reporting Standards ("IFRS") 34 "Interim Financial Reporting".

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

HOO SEE KHENG

Chief Executive Officer/Executive Director

Kuala Lumpur
17 November 2023

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 2023 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
17 November 2023

CONDENSED STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	Note	2023 RM
INVESTMENT LOSS		
Interest income from financial assets measured at amortised cost		3,162
Dividend income		43,803
Net loss on derivative	7	(105,175)
Net loss on financial assets at fair value through profit or loss ("FVTPL")	8	(289,348)
Net foreign currency exchange gain		12,566
		<u>(334,992)</u>
EXPENDITURE		
Management fee	4	(9,973)
Trustee's fee	5	(997)
Auditors' remuneration		(4,850)
Tax agent's fee		(2,251)
Custodian fees		(5,257)
Transaction costs		(9,892)
Other expenses		(9,640)
		<u>(42,860)</u>
LOSS BEFORE TAXATION		
Taxation	6	(377,852)
		<u>(6,402)</u>
LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD		
		<u>(384,254)</u>
Loss after taxation is made up as follows:		
Realised amount		(108,181)
Unrealised amount		(276,073)
		<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 2023

	Note	30.09.2023 RM	31.03.2023 RM
ASSETS			
Cash and cash equivalents		718,528	260,726
Amount due from the Manager			
-creation of units		49,068	2,894
Derivative	7	-	7,078
Dividends receivable		6,830	2,918
Financial assets at fair value through profit or loss ("FVTPL")	8	4,541,791	3,060,543
TOTAL ASSETS		<u>5,316,217</u>	<u>3,334,159</u>
LIABILITIES			
Amount due to the Manager			
-cancellation of units		1,812	2,129
-management fee		2,157	1,355
Amount due to the Trustee		216	14,566
Derivative	7	13,791	-
Other payables and accruals		22,561	16,720
Tax payable		6,361	934
TOTAL LIABILITIES		<u>46,898</u>	<u>35,704</u>
NET ASSET VALUE OF THE FUND		<u>5,269,319</u>	<u>3,298,455</u>
EQUITY			
Unit holders' capital		5,680,518	3,325,400
Accumulated loss		(411,199)	(26,945)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>5,269,319</u>	<u>3,298,455</u>
UNITS IN CIRCULATION (UNITS)	9	<u>5,701,220</u>	<u>3,328,869</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.9242</u>	<u>0.9909</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 2023

	Unit holders' capital RM	Accumulated loss RM	Total RM
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	<u>5,680,518</u>	<u>(411,199)</u>	<u>5,269,319</u>

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

CONDENSED STATEMENT OF CASH FLOWS

(Unaudited)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	2023
	RM
CASH FLOWS FROM OPERATING ACTIVITIES	
Proceeds from sales of financial assets at FVTPL	975,885
Purchase of financial assets at FVTPL	(2,753,978)
Realised loss on derivative	(84,306)
Realised foreign exchange differences arising from operating activities	11,587
Interest income received from financial assets measured at amortised cost	3,162
Dividend income received	32,880
Management fee paid	(9,171)
Trustee's fee paid	(15,347)
Payment for other fees and expenses	(11,464)
Tax paid	(975)
Net cash used in operating activities	<u>(1,851,727)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from creation of units	2,885,198
Payments for cancellation of units	(576,571)
Net cash generated from financing activities	<u>2,308,627</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	456,900
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	902
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>260,726</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u><u>718,528</u></u>

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Unaudited)*

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

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 was entered into between the Manager, Hong Leong Asset Management Bhd and CIMB Commerce Trustee Berhad ("the Trustee") for the unit holders of the Fund ("the Deeds").

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 70% and a maximum of 98% of its NAV in equities and equity-related securities globally in order to gain medium to long-term capital growth. The balance of Fund's NAV may be invested in money market instruments and deposits with financial institutions. The Fund does not incorporate ESG factors for money market instruments and deposits as the said instruments are used for liquidity purposes. The Fund commenced operations on 20 April 2022 and will continue its operations until terminated as provided under Part 12 of the Deed.

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 17 November 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 Standards ("MFRS") 134 "Interim Financial Reporting" and International Financial Reporting Standards ("IFRS") 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 2023 which have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

(b) Financial assets and financial liabilities

Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flows characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the

assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, 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 judgment 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 schemes held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

(d) Income recognition

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

Interest income from deposits with licensed financial institutions 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 favorable, or an equity instrument of another enterprise.

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

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

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

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

(I) 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
30.09.2023			
<u>Financial assets</u>			
Cash and cash equivalents	-	718,528	718,528
Amount due from the Manager			
-creation of units	-	49,068	49,068
Dividends receivable	-	6,830	6,830
Financial assets at FVTPL (Note 8)	4,541,791	-	4,541,791
	<u>4,541,791</u>	<u>774,426</u>	<u>5,316,217</u>
<u>Financial liabilities</u>			
Amount due to the Manager			
-cancellation of units	-	1,812	1,812
-management fee	-	2,157	2,157
Amount due to the Trustee	-	216	216
Derivatives (Note 7)	13,791	-	13,791
Other payables and accruals	-	22,561	22,561
	<u>13,791</u>	<u>26,746</u>	<u>40,537</u>

	Financial assets/ liabilities at FVTPL RM	Financial assets/ liabilities at amortised cost RM	Total RM
31.03.2023			
<u>Financial assets</u>			
Cash and cash equivalents	-	260,726	260,726
Amount due from the Manager			
-creation of units	-	2,894	2,894
Derivatives (Note 7)	7,078	-	7,078
Dividends receivable	-	2,918	2,918
Financial assets at FVTPL (Note 8)	3,060,543	-	3,060,543
	<u>3,067,621</u>	<u>266,538</u>	<u>3,334,159</u>
<u>Financial liabilities</u>			
Amount due to the Manager			
-cancellation of units	-	2,129	2,129
-management fee	-	1,355	1,355
Amount due to the Trustee	-	14,566	14,566
Other payables and accruals	-	16,720	16,720
	<u>-</u>	<u>34,770</u>	<u>34,770</u>

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

(m) Critical accounting estimates and judgments 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 judgments 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 judgment to be exercised.

3. FAIR VALUE ESTIMATION

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

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

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

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

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

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

(i) Fair value hierarchy

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

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

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

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

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

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
30.09.2023				
<u>Financial assets at FVTPL:</u>				
- Quoted equity securities				
- foreign	4,191,042	-	-	4,191,042
- Quoted collective investment schemes				
- foreign	350,749	-	-	350,749
	4,541,791	-	-	4,541,791
<u>Financial liabilities:</u>				
- Derivatives	-	13,791	-	13,791
31.03.2023				
<u>Financial assets at FVTPL:</u>				
- Quoted equity securities - foreign	2,792,115	-	-	2,792,115
- Quoted collective investment schemes				
- foreign	268,428	-	-	268,428
<u>Financial assets:</u>				
- Derivatives	-	7,078	-	7,078
	3,060,543	7,078	-	3,067,621

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 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 Deed, 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 2023, the management fee is recognised at a rate of 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 Deed, the Trustee is entitled to a fee not exceeding 0.05% 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 2023, the Trustee's fee is recognised at a rate of 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

	2023
	RM
Tax charge for the financial period:	
Current taxation	<u>6,402</u>

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

	2023
	RM
Loss before taxation	<u>(377,852)</u>
Taxation at Malaysian statutory rate of 24%	(90,684)
Tax effects of:	
Investment loss disallowed from tax	89,900
Expenses not deductible for tax purposes	3,308
Restriction on tax deductible expenses for unit trust fund	<u>3,878</u>
Taxation	<u>6,402</u>

7. DERIVATIVE

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

		30.09.2023	31.03.2023
		RM	RM
Derivative assets:			
Forward currency contracts		-	7,078
Derivative liabilities:			
Forward currency contracts		13,791	-
			2023
			RM
Net loss on derivative:			
Realised loss on disposals			(84,306)
Changes in unrealised fair values			(20,869)
			<u>(105,175)</u>
	Maturity date	Contract or underlying principal amounts	*Fair value RM
30.09.2023			
Australian Dollar	within 1 month	23,000	(1,150)
Hong Kong Dollar	within 1 month	788,000	(5,043)
New Taiwan Dollar	within 1 month	16,120#	(2,644)
Singapore Dollar	within 1 month	63,000	(1,166)
The Euro	within 1 month	32,000	1,741
United States Dollar	within 1 month	16,120	(333)
United States Dollar	within 1 month	251,000	(5,196)
			<u>(13,791)</u>
31.03.2023			
United States Dollar	within 1 month	149,000	<u>7,078</u>

This is the equivalent US Dollar amount used to hedge TWD536,000.

* 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 %
30.09.2023				
Hong Leong Bank Berhad	1,741	(8,173)	(6,432)	0.12
Hong Leong Investment Bank Berhad	-	(7,359)	(7,359)	0.14
	<u>1,741</u>	<u>(15,532)</u>	<u>(13,791)</u>	<u>0.26</u>
31.03.2023				
Hong Leong Bank Berhad	<u>7,078</u>	-	<u>7,078</u>	<u>0.21</u>

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")

	30.09.2023 RM	31.03.2023 RM
<u>Financial assets at FVTPL:</u>		
Quoted equity securities - foreign	4,191,042	2,792,115
Quoted collective investment schemes - foreign	<u>350,749</u>	<u>268,428</u>
	<u>4,541,791</u>	<u>3,060,543</u>
2023		
RM		
<u>Net loss on financial assets at FVTPL:</u>		
Realised loss on disposals		(33,165)
Changes in unrealised fair values		<u>(256,183)</u>
		<u>(289,348)</u>

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

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED EQUITY SECURITIES - FOREIGN				
Australia				
<u>Beverages</u>				
Treasury Wine Estates Limited	1,723	73,519	64,343	1.22
<u>Healthcare-Services</u>				
Ramsay Health Care Limited	503	92,583	79,021	1.50
Total Australia	2,226	166,102	143,364	2.72
Hong Kong				
<u>Electronics</u>				
AAC Technologies Holdings Inc	25,000	243,351	200,766	3.81
<u>Insurance</u>				
AIA Group Limited	2,400	110,557	91,837	1.74
<u>Internet</u>				
Alibaba Group Holding Limited	2,900	149,716	148,770	2.82
Tencent Holdings Limited	900	184,080	165,155	3.13
	3,800	333,796	313,925	5.95
<u>Lodging</u>				
Sands China Limited	8,200	133,302	117,942	2.24
<u>Miscellaneous Manufacturing</u>				
Sunny Optical Technology (Group) Company Limited	5,800	290,811	190,134	3.61
Total Hong Kong	45,200	1,111,817	914,604	17.35
Netherlands				
<u>Semiconductors</u>				
ASML Holding N.V.	110	308,945	305,531	5.80
Total Netherlands	110	308,945	305,531	5.80
Singapore				
<u>Banks</u>				
DBS Group Holdings Ltd.	1,400	154,784	161,949	3.07
Oversea-Chinese Banking Corporation Limited	3,400	141,501	149,769	2.84
	4,800	296,285	311,718	5.91
Total Singapore	4,800	296,285	311,718	5.91
Taiwan				
<u>Semiconductors</u>				
Taiwan Semiconductor Manufacturing Company Limited	2,000	147,223	152,193	2.89
Total Taiwan	2,000	147,223	152,193	2.89

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
United States				
<u>Building Materials</u>				
Johnson Controls International Plc	700	201,416	174,830	3.32
<u>Commercial Services</u>				
Paypal Holdings, Inc.	760	257,615	208,544	3.96
<u>Communication</u>				
Alphabet Inc - CL C	320	185,006	198,041	3.76
<u>Computers</u>				
Apple Inc.	340	255,914	273,233	5.19
<u>Diversified Financial Services</u>				
Mastercard Incorporated	90	146,075	167,249	3.17
Visa Inc.	150	149,350	161,943	3.07
	240	295,425	329,192	6.24
<u>Electronics</u>				
Honeywell International Inc.	140	128,190	121,399	2.30
<u>Media</u>				
The Walt Disney Company	530	228,644	201,629	3.83
<u>Miscellaneous Manufacturing</u>				
3M Company	400	207,870	175,773	3.34
<u>Semiconductors</u>				
Broadcom Inc.	40	158,614	155,943	2.96
<u>Software</u>				
Microsoft Corporation	230	307,748	340,875	6.47
Unity Software Inc.	1,250	211,335	184,173	3.50
	1,480	519,083	525,048	9.97
Total United States	4,950	2,437,777	2,363,632	44.87
TOTAL QUOTED EQUITY SECURITIES - FOREIGN	59,286	4,468,149	4,191,042	79.54

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED COLLECTIVE INVESTMENT SCHEMES - FOREIGN				
Singapore				
<u>Real Estate Investment Trust</u> Mapletree Logistics Trust	20,400	110,009	117,851	2.23
Total Singapore	20,400	110,009	117,851	2.23
United States				
<u>Real Estate Investment Trust</u> Digital Realty Trust Inc	410	179,919	232,898	4.42
Total United States	410	179,919	232,898	4.42
TOTAL QUOTED COLLECTIVE INVESTMENT SCHEME - FOREIGN	20,810	289,928	350,749	6.65
TOTAL INVESTMENTS	80,096	4,758,077	4,541,791	86.19
UNREALISED LOSS ON FINANCIAL ASSETS AT FVTPL		(216,286)		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		4,541,791		

Financial assets at FVTPL as at 31 March 2023 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	1,700	72,634	65,617	1.99
<u>Healthcare-Services</u>				
Ramsay Health Care Limited	503	92,583	98,843	3.00
Total Australia	2,203	165,217	164,460	4.99
France				
<u>Apparel</u>				
LVMH MOET Hennessy Louis Vuitton	30	102,808	121,437	3.68
Total France	30	102,808	121,437	3.68
Hong Kong				
<u>Electronics</u>				
AAC Technologies Holdings Inc	11,500	126,977	125,168	3.79
<u>Insurance</u>				
AIA Group Limited	1,800	83,101	83,638	2.54
<u>Lodging</u>				
Sands China Limited	5,800	91,493	89,019	2.70
<u>Miscellaneous Manufacturing</u>				
Sunny Optical Technology (Group) Company Limited	3,100	174,275	165,481	5.02
Total Hong Kong	22,200	475,846	463,306	14.05
Netherlands				
<u>Semiconductors</u>				
ASML Holding N.V.	45	111,956	134,869	4.09
Total Netherlands	45	111,956	134,869	4.09
Singapore				
<u>Banks</u>				
DBS Group Holdings Ltd.	1,200	132,520	131,405	3.98
Oversea-Chinese Banking Corporation Limited	2,300	94,669	94,409	2.86
	3,500	227,189	225,814	6.84
Total Singapore	3,500	227,189	225,814	6.84

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
Taiwan				
<u>Semiconductors</u>				
Taiwan Semiconductor Manufacturing Company Limited	2,000	147,223	154,250	4.68
Total Taiwan	2,000	147,223	154,250	4.68
United States				
<u>Auto Manufacturers</u>				
Tesla Inc.	110	96,619	100,707	3.05
<u>Building Materials</u>				
Johnson Controls International Plc	440	114,173	116,930	3.55
<u>Commercial Services</u>				
Automatic Data Processing, Inc.	50	54,696	49,123	1.49
Paypal Holdings, Inc.	370	138,371	123,996	3.76
	420	193,067	173,119	5.25
<u>Computers</u>				
Apple Inc.	180	119,282	130,987	3.97
<u>Diversified Financial Services</u>				
Mastercard Incorporated	80	121,722	128,298	3.89
Visa Inc.	135	124,237	134,319	4.07
	215	245,959	262,617	7.96
<u>Electric</u>				
Nextera Energy Inc.	380	138,537	129,259	3.92
<u>Electronics</u>				
Honeywell International Inc.	130	111,121	109,644	3.32
<u>Media</u>				
The Walt Disney Company	270	124,772	119,306	3.62
<u>Miscellaneous Manufacturing</u>				
3M Company	200	111,550	92,770	2.81
Trane Technologies PLC	110	81,499	89,309	2.71
	310	193,049	182,079	5.52
<u>Pharmaceuticals</u>				
Merck & Co Inc.	135	58,284	63,382	1.92
<u>Software</u>				
Microsoft Corporation	110	124,204	139,949	4.24
Total United States	2,700	1,519,067	1,527,979	46.32
TOTAL QUOTED EQUITY SECURITIES - FOREIGN	32,678	2,749,306	2,792,115	84.65

	Quantity Units	Aggregate cost RM	Fair value RM	Percentage of net asset value %
QUOTED COLLECTIVE INVESTMENT SCHEMES - FOREIGN				
Hong Kong				
<u>Real Estate Investment Trust</u> Link REIT	4,200	130,334	119,243	3.62
Total Hong Kong	4,200	130,334	119,243	3.62
Singapore				
<u>Real Estate Investment Trust</u> Mapletree Logistics Trust	11,000	57,610	62,417	1.89
Total Singapore	11,000	57,610	62,417	1.89
United States				
<u>Real Estate Investment Trust</u> Digital Realty Trust Inc	200	83,396	86,768	2.63
Total United States	200	83,396	86,768	2.63
TOTAL QUOTED COLLECTIVE INVESTMENT SCHEMES - FOREIGN	15,400	271,340	268,428	8.14
TOTAL INVESTMENTS	48,078	3,020,646	3,060,543	92.79
UNREALISED GAIN ON FINANCIAL ASSETS AT FVTPL		39,897		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FVTPL		3,060,543		

9. UNITS IN CIRCULATION

	01.04.2023 to 30.09.2023	20.04.2022 (date of launch) to 31.03.2023
	No. of units	No. of units
At the beginning of the financial period	3,328,869	-
Add: Creation of units during the financial period		
- Arising from applications	2,961,940	3,504,075
Less: Cancellation of units during the financial period	(589,589)	(175,206)
At the end of the financial period	<u>5,701,220</u>	<u>3,328,869</u>

10. TOTAL EXPENSE RATIO ("TER")

	2023
	%
TER (annualised)	<u>1.41</u>

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

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

Where;

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

The average net asset value of the Fund for the financial period calculated on a daily basis is RM4,001,874.

11. PORTFOLIO TURNOVER RATIO (“PTR”)

	2023 Times
PTR	<u>0.47</u>

PTR is derived from the following calculation:

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

Where; total acquisitions for the financial period
= RM2,746,432
total disposals for the financial period
= 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 2023 and 31 March 2023.

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

	30.09.2023	31.03.2023
	RM	RM
<u>Related party balances</u>		
Cash at bank:		
- Hong Leong Bank Berhad	641,648	206,168
Derivative:		
Hong Leong Bank Berhad	(6,432)	7,078
Hong Leong Investment Bank Berhad	(7,359)	-
	<u>(13,791)</u>	<u>7,078</u>
		2023
		RM
<u>Related party transactions</u>		
Interest income from auto-sweep facility bank account:		
- Hong Leong Bank Berhad		<u>3,160</u>

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 %
2023				
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>

14. COMPARATIVES

There are no comparative figures as this is the first set of unaudited condensed financial statements since the date of launch of the Fund.

Performance Data

A (i) Portfolio Compositions:

By Sector:

Apparel
Auto Manufacturers
Banks
Beverages
Building Materials
Commercial Services
Communication
Computers
Diversified Financial Services
Electric
Electronics
Healthcare-Services
Insurance
Internet
Lodging
Media
Miscellaneous Manufacturing
Pharmaceuticals
Semiconductors
Software

Collective Investment Schemes

Deposits & Cash Equivalents

By Country:

Australia
France
Hong Kong
Netherlands
Singapore
Taiwan
United States

Deposits & Cash Equivalents

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

	Financial Period 31/03/2023- 30/09/2023 %	Financial Period 20/04/2023- 31/03/2023 %
	-	3.68
	-	3.05
	5.91	6.84
	1.22	1.99
	3.32	3.55
	3.96	5.25
	3.76	-
	5.19	3.97
	6.24	7.96
	-	3.92
	6.11	7.11
	1.50	3.00
	1.74	2.54
	5.95	-
	2.24	2.70
	3.83	3.62
	6.95	10.54
	-	1.92
	11.65	8.77
	9.97	4.24
	6.65	8.14
	13.81	7.21
	2.72	4.99
	-	3.68
	17.35	17.67
	5.80	4.09
	8.14	8.73
	2.89	4.68
	49.29	48.95
	13.81	7.21
	RM5,269,319	RM3,298,455
	RM0.9243	RM0.9909
	5,701,220	3,328,869
	RM1.0177	RM1.0957
	RM0.9159	RM0.9429
	-6.72%	-0.91%
	-6.72%	-0.91%
	-	-
	-	-
	-	-
	-	-
	-	-

Performance Data

(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)

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

B Average Total Return, NAV Per Unit-to-NAV Per Unit basis (as at 30/09/2023)*

(i) One year

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

The TER was 1.99 percentage point lower as compared to 3.40% for the financial year ended 31 March 2023 mainly due to increase in average net asset value of the Fund. There were no comparative figures between interim as the fund was launched on 20 April 2022.

The PTR decreased by 0.93 times (66.43%) to 0.47 times for the financial period from 01 April 2023 to 30 September 2023 versus 1.40 times for the financial year ended 31 March 2023 mainly due to lower level of rebalancing activities undertaken by the Fund. There were no comparative figures between the interim as the fund was launched on 20 April 2022.

Financial Period 31/03/2023- 30/09/2023 %	Financial Period 20/04/2023- 31/03/2023 %
-	-
-	-
-	-
-	-
-	-
-	-
1.41%#	3.40%
0.47##	1.40
-3.14%	

Corporate Information

Manager

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

Registered Office

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

Business Office

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

Board of Directors

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

Executive Director / Chief Executive Officer

Mr. Hoo See Kheng

Trustee

CIMB Commerce Trustee Berhad

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@hla.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

This page is intentionally left blank

This page is intentionally left blank

This page is intentionally left blank