

EASTSPRING INVESTMENTS ASIA PACIFIC EX-JAPAN TARGET RETURN FUND

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024



Dear Valued Investor,

Greetings from Eastspring Investments Berhad!

First and foremost, we would like to take this opportunity to thank you for choosing to invest with Eastspring Investments Berhad.

We are pleased to enclose a copy of the Annual/Semi-annual/Quarterly Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 30 June 2024.

You may also download these reports from our website at www.eastspring.com/my

Should you require any assistance, please do not hesitate to contact our Client Services at 03-2778 1000.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'YSH', written in a cursive style.

YAP SIOK HOON

Executive Director/Chief Executive Officer

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FUND INFORMATION

Name of Fund

Eastspring Investments Asia Pacific ex-Japan Target* Return Fund (the "Fund")

* The Fund aims (i.e. Target) to achieve 8% growth of NAV per annum over the medium to long-term.

Fund Category/ Type

Equity/growth

Fund Objective

The Fund seeks to provide capital appreciation by investing in securities in the Asia Pacific ex- Japan region.

ANY MATERIAL CHANGES TO THE FUND'S OBJECTIVE WOULD REQUIRE UNIT HOLDERS' APPROVAL.

Performance Benchmark

The performance benchmark of the Fund is 8% growth of NAV per annum over the medium to long-term.

Note: This is not a guaranteed return and is only a measurement of the Fund's performance. The Fund may not achieve a targeted return of 8% growth of NAV per annum in any particular financial year but strives to achieve this return over the medium to long-term.

Fund Income Distribution Policy

At least once a year, subject to the availability of income.

KEY PERFORMANCE DATA

FOR THE FINANCIAL YEAR ENDED

Category	2024	2023	2022
	(%)	(%)	(%)
Quoted Securities			
Consumer Discretionary	2.75	8.85	21.49
Consumer Products & Services	1.33	1.55	-
Consumer Staple	4.90	3.21	4.82
Energy	0.75	-	4.72
Exchange-Traded Fund	1.89	-	-
Financial Services	11.35	12.64	6.32
Health Care	5.07	3.81	1.03
Industrial	13.08	14.36	11.13
Information Technology	18.89	18.44	31.64
Material	2.87	3.64	10.64
Plantation	-	1.00	-
Real Estate	6.33	1.52	3.12
Technology	9.73	3.32	-
Telecommunication Services	4.35	4.54	0.97
Utilities	2.27	0.97	1.97
	85.56	77.85	97.85
Cash and other assets	14.44	22.15	2.15
Total	100.00	100.00	100.00

KEY PERFORMANCE DATA (CONTINUED)

Category	2024	2023	2022
Net Asset Value (NAV) (RM'000)	354,619	324,899	78,856
Units In Circulation (Units '000)	639,349	580,043	133,980
Net Asset Value Per Unit (RM)	0.5547	0.5601	0.5886
Highest Net Asset Value Per Unit (RM) [#]	0.5547	0.5987	0.6404
Lowest Net Asset Value Per Unit (RM) [#]	0.5022	0.5443	0.4771
Total Return (%)			
- Capital Growth	(0.96)	(4.84)	(18.56)
- Income Distribution	4.63	4.76	4.36
Total Return (%)	3.62	(0.32)	(15.00)
Gross Distribution Per Unit (RM)	0.0240	0.0263	0.0268
Net Distribution Per Unit (RM)	0.0240	0.0263	0.0268
Total Expense Ratio (TER) (%) [*]	1.94	1.94	2.03
Portfolio Turnover Ratio (PTR) (times) [^]	0.61	1.11	1.91

[#] Figures shown as ex-distribution.

^{*} There were no significant changes to the TER during the period under review.

[^] There were no significant changes to the PTR during the period under review.

KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.7.2023 to 30.6.2024	3 years 1.7.2021 to 30.6.2024	5 years 1.7.2019 to 30.6.2024
	(%)	(%)	(%)

Average total return	3.62	(4.24)	6.14
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Year ended	1.7.2023 to 30.6.2024	1.7.2022 to 30.6.2023	1.7.2021 to 30.6.2022	1.7.2020 to 30.6.2021	1.7.2019 to 30.6.2020
	(%)	(%)	(%)	(%)	(%)

Annual total return	3.62	(0.32)	(15.00)	37.72	11.43
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Source: The above total return of the Fund was sourced from Lipper for Investment Management.

Bases of calculation and assumptions made in calculating returns:

$$\text{Percentage growth} = \frac{\text{NAV}_t - 1}{\text{NAV}_0}$$

NAV_t = NAV at the end of the period

NAV_0 = NAV at the beginning of the period

$$\text{Performance annualised} = (1 + \text{Percentage Growth})^{1/n} - 1$$

Adjusted for unit split and distribution paid out for the period

n = Number of years

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

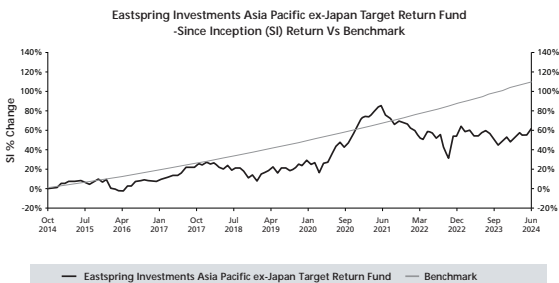
MANAGER'S REPORT

Fund Performance

Over the 5-year period, the Fund recorded a return of 34.74%, underperforming the benchmark return of 46.91% by 12.17%.

For the period under review, the Fund registered a return of 3.62%, underperforming the benchmark return of 8.00% by 4.38%.

The underperformance was due to the continued drag from holdings in Hong Kong/ China and Thailand markets as well as the lack of exposure to India market. The weakness was partially mitigated by recovery from holdings in Korea, Taiwan and Malaysia markets.



The performance is calculated on NAV-to-NAV basis with gross income or dividend reinvested.

Benchmark: 8% growth of NAV per annum over the medium to long-term.

Source: Lipper for Investment Management as at 30 June 2024.

Past performance of the Fund is not necessarily indicative of its future performance.

MANAGER'S REPORT (CONTINUED)

Analysis of Fund Performance

For the financial year ended 30 June 2024:

Income Return	Capital Return*	Total Return	Total Return of Benchmark
(%)	(%)	(%)	(%)
4.63	(0.96)	3.62	8.00

* Capital return components (NAV per unit to NAV per unit).

Distribution/
Unit Split

Ex-Date	15-Dec-23
Distribution Per Unit	(RM)
Gross	0.0240
Net	0.0240

Impact on NAV arising from distribution for the financial year ended 30 June 2024.

Ex-Date	15-Dec-23
	(RM per Unit)
Net Asset Value before distribution	0.5423
Less: distribution	(0.0240)
Net Asset Value after distribution	<u>0.5183</u>

No unit split were declared for the financial year ended 30 June 2024.

MANAGER'S REPORT (CONTINUED)

Investment Strategy During the Period Under Review

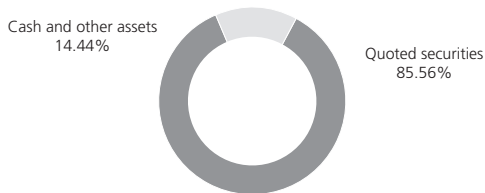
We continue to anchor the portfolio with high dividend-yielding stocks to provide steady recurring income and quality growth stocks with positive momentum to have the potential to generate returns above the target return. We also like companies with leading role and niche expertise in the global context.

During the period under review, the Fund continued to underweight the Hong Kong/ China markets as piecemeal stimulus measures failed to boost domestic demand. Whilst we were structurally positive on India's mid to longer term dynamics, the fund was underweighted the market during the period due to the stretched valuations.

Asset Allocation

Asset Allocation	30-Jun 2024 (%)	30-Jun 2023 (%)	Changes (%)
Quoted securities	85.56	77.85	7.71
Cash and other assets	14.44	22.15	(7.71)

Asset Allocation as at 30 June 2024



There were no significant changes in asset allocation of the Fund for the period under review.

State of Affairs of the Fund

There have been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

MARKET REVIEW

For the period under review, Asia Pacific ex-Japan markets continued to underperform its developed market counterparts. Asia Pacific ex-Japan markets as represented by the MSCI Asia Pacific ex-Japan index (“MXAPJ Index”) was up 10.3%, versus the MSCI World index which posted a +18.4% return. Asia Pacific ex-Japan markets continued to be volatile in the period under review.

The start of the financial period under review saw seasonal weakness across most major markets, and the spike in the 10Y UST which hit the high of 4.6% further dampened sentiment. The Fed reaffirmed higher-for-longer rates in the September FOMC following stronger than expected US economic data. However, towards the end of 2024, there was a rapid shift in market expectations from “higher-for-longer” to a “US goldilocks” (rapid disinflation which will allow the Fed to cut rates without significant growth deteriorating in the US) scenario. As a result, markets that are lower rate beneficiaries such as Taiwan and Korea outperformed. The India market also gained further towards year end following favourable state election result which saw the Prime Minister Narendra Modi expanding its dominance in India. On the other hand, HK/ China and Thailand markets continued to lag their regional peers. Sentiment in HK/ China continued to be very weak due to persistent concerns over geopolitics, property/ LGFV risks and a lack of a major stimulus to shore up the economy.

The third quarter of the financial period under review started weak as Hong Kong/ China stocks continued to weigh on sentiment following policymakers’ reluctance to embark on large scale stimulus. Whilst earnings have disappointed, companies were compensating it via larger share buybacks and/or higher dividends. On the other hand, Korea and Taiwan markets continued to benefit from the chip cycle recovery and AI-related thematic play. Korea also benefitted from foreign fund inflow as the government’s Value-Up program gained traction. As the quarter progressed, expectations of the first rate cut in the US have also been pushed back. Towards the last quarter of the financial year, main themes that took place on the global front were stronger-than-expected US data which led to good-news-is-bad-news dynamics, hawkish Fed minutes and the “higher-for-longer” signalling by the Fed. The chip-cycle recovery and AI-related thematic play continued following NVIDIA’s stronger than expected results, its still-strong forward guidance as well as continued momentum in AI server spending. As a result, technology hardware stocks in both Korea and Taiwan outperformed strongly. Hong Kong/ China markets recovered following the dismal January-March quarter on the back of policy support measures. Despite that, the fundamentals of the Chinese stocks remain lacklustre as the economic data continued to be mixed. Among the ASEAN markets, both Malaysia (optimism surrounding implementation of various economic policies) and Singapore (yield and defensive) markets outperformed its MIST peers. India continued to record positive

returns despite its elevated valuation metrics as the market continued to be supported by strong domestic equity flows as well as optimism over the economy's long term structural dynamics. Geopolitical tensions exacerbated by the Iran-Israel conflict where Iran launched dozens of drones towards Israel, escalating tensions and settling the state for a direct military confrontation between the two nations. Thankfully, on the intervention of their allies, this de-escalated quickly post the incident.

Within Asia, the best performing markets were Taiwan (+36.2%), India (+25.1%) and Malaysia (+15.5%) in local currency return. Contrary wise, the worst performing markets were Thailand (-13.5%), Hong Kong (-6.3%) and China (-7.3%).

The US economic indicators are suggesting a path of moderate growth, disinflation, and rising productivity. Against such backdrop, the Fed will be likely to deliver rate cut(s) this year and this should generally be supportive of stocks. China's economy on the other hand continues to be muted, and based on recent economic data, it could be challenging to maintain the growth momentum into 2H24. As such, more stimulus measures including monetary and fiscal support might be needed in 2H24. Asean markets could also benefit from the soft-landing narrative in the US and possibly a weaker US\$.

REBATES AND SOFT COMMISSIONS

During the period under review, the Manager and its delegates (if any) did not receive any soft commissions from stockbrokers.

SECURITIES LENDING OR REPURCHASE TRANSACTIONS

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

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EASTSPRING INVESTMENTS ASIA PACIFIC EX-JAPAN TARGET RETURN FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

STATEMENT BY THE MANAGER

We, Yap Siok Hoon and John Campbell Tupling, being two of the Directors of Eastspring Investments Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 18 to 70 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 June 2024 and of its financial performance, changes in equity and cash flows for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
EASTSPRING INVESTMENTS BERHAD

YAP SIOK HOON
Executive Director/Chief Executive Officer

JOHN CAMPBELL TUPLING
Independent, Non-Executive Director

Kuala Lumpur
Date: 23 August 2024

TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS ASIA PACIFIC EX-JAPAN TARGET RETURN FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 June 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Eastspring Investments Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

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

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

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
Date: 23 August 2024

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS ASIA PACIFIC EX-JAPAN TARGET RETURN FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Eastspring Investments Asia Pacific Ex-Japan Target Return Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 30 June 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 June 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 18 to 70.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to terminate the Fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- d. Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- e. Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

This report is made solely to the unit holders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
Date: 23 August 2024

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		RM	RM
INVESTMENT INCOME			
Gross dividend income		7,590,222	4,724,948
Interest income from deposits			
with licensed financial institutions		835,360	490,407
Net gain on financial assets			
at fair value through profit or loss	7	13,241,170	8,224,923
Net (loss)/gain on foreign currency exchange		(984,302)	451,568
		<u>20,682,450</u>	<u>13,891,846</u>
EXPENSES			
Management fee	3	(5,919,978)	(5,071,829)
Trustee fee	4	(263,110)	(225,415)
Audit fee		(8,200)	(8,200)
Tax agent fee		(30,431)	(17,272)
Other expenses		(791,102)	(635,380)
Transaction costs		(904,238)	(1,256,315)
		<u>(7,917,059)</u>	<u>(7,214,411)</u>
PROFIT BEFORE TAXATION		12,765,391	6,677,435
TAXATION	5	<u>32,177</u>	<u>(1,548,245)</u>
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME		<u>12,797,568</u>	<u>5,129,190</u>
Profit after taxation is made up the following:			
Realised amount		(8,350,962)	(6,687,670)
Unrealised amount		21,148,530	11,816,860
		<u>12,797,568</u>	<u>5,129,190</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	2024	2023
		RM	RM
ASSETS			
Cash and cash equivalents	8	53,258,307	73,377,107
Financial assets at fair value through profit or loss	7	303,555,478	252,862,265
Amount due from Manager		110,189	11,448
Dividends receivable		742,805	1,228,788
Tax recoverable		737,530	-
TOTAL ASSETS		358,404,309	327,479,608
LIABILITIES			
Accrued management fee		514,669	485,224
Amount due to Manager		354,945	1,719,990
Amount due to Trustee		22,874	21,566
Amount due to brokers		2,874,274	155,857
Tax payable		-	182,741
Other payables and accruals		18,147	15,448
TOTAL LIABILITIES		3,784,909	2,580,826
NET ASSET VALUE OF THE FUND		354,619,400	324,898,782
EQUITY			
Unit holders' capital		328,014,501	309,944,673
Retained earnings		26,604,899	14,954,109
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		354,619,400	324,898,782
NUMBER OF UNITS IN CIRCULATION	9	639,348,702	580,042,695
NET ASSET VALUE PER UNIT (EX-DISTRIBUTION) (RM)		0.5547	0.5601

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Unit holders' capital RM	Retained earnings RM	Total RM
Balance as at 1 July 2023		309,944,673	14,954,109	324,898,782
Movement in unit holders' contribution:				
Creation of units from applications		50,645,037	-	50,645,037
Creation of units from distribution		14,370,384	-	14,370,384
Cancellation of units		(33,587,312)	-	(33,587,312)
Distribution (Gross/Net: 2.40 sen)	6	(13,358,281)	(1,146,778)	(14,505,059)
Total comprehensive income for the financial year		-	12,797,568	12,797,568
Balance as at 30 June 2024		<u>328,014,501</u>	<u>26,604,899</u>	<u>354,619,400</u>
Balance as at 1 July 2022		66,318,794	12,537,468	78,856,262
Movement in unit holders' contribution:				
Creation of units from applications		270,574,509	-	270,574,509
Creation of units from distribution		13,890,692	-	13,890,692
Cancellation of units		(29,554,472)	-	(29,554,472)
Distribution (Gross/Net: 2.63 sen)	6	(11,284,850)	(2,712,549)	(13,997,399)
Total comprehensive income for the financial year		-	5,129,190	5,129,190
Balance as at 30 June 2023		<u>309,944,673</u>	<u>14,954,109</u>	<u>324,898,782</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		181,773,503	227,358,222
Purchase of investments		(217,411,366)	(396,460,367)
Dividend received		7,426,892	3,549,591
Interest received		835,360	490,407
Management fee paid		(5,890,533)	(4,705,194)
Trustee fee paid		(261,802)	(209,120)
Tax paid		(888,094)	(1,384,352)
Payment for other fees and expenses		(177,722)	(164,428)
Net realised foreign currency exchange (loss)/gain		(983,873)	449,875
Net cash used in operating activities		<u>(35,577,635)</u>	<u>(171,075,366)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		50,546,296	270,585,603
Payments for cancellation of units		(34,952,357)	(27,920,325)
Distribution paid		(134,675)	(106,707)
Net cash generated from financing activities		<u>15,459,264</u>	<u>242,558,571</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(20,118,371)	71,483,205
EFFECT OF FOREIGN EXCHANGE DIFFERENCES		(429)	1,693
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		<u>73,377,107</u>	<u>1,892,209</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	8	<u>53,258,307</u>	<u>73,377,107</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with the MFRS and IFRS require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note L.

a. Standards and amendments to existing standards effective 1 January 2023:

There are no other standards, amendments to standards or interpretations that are effective for financial year beginning on 1 July 2023 that have a material effect on the financial statements of the Fund.

b. New standards, amendments and interpretations effective after 1 January 2023 and have not been early adopted:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2023 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

B. INCOME RECOGNITION

Interest income from short-term deposits placed with licensed financial institutions is recognised on an accrual basis using the effective interest rate method.

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).

Dividend income is recognised on the ex-dividend date, when the right to receive the dividend has been established.

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

C. TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable income during the financial year.

Tax on investment income from foreign quoted securities is based on the tax regime of the respective countries that the Fund invested in.

Withholding taxes on investment income from foreign quoted securities are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised, measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

D. 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.

E. FOREIGN CURRENCY TRANSLATION

Foreign currency transactions in the Fund are translated into the functional currency using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

F. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

i. Classification

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

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

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

The Fund classifies accrued management fee, amount due to Manager, amount due to Trustee, amount due to brokers and other payables and accruals as financial liabilities measured at amortised cost.

ii. 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 and transaction costs are expensed in the statement of comprehensive income.

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 recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the quoted financial instrument.

Financial liabilities are derecognised when the obligation under the liabilities are extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

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” category are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit or loss” in the financial year in which they arise.

In accordance with the Deed, quoted securities in Malaysia are valued at the last done market price quoted on the Bursa Malaysia Securities Berhad (“Bursa Securities”) at the date of the statement of financial position.

Quoted securities outside Malaysia are valued at the market last done prices quoted of the respective foreign stock exchanges at close of the business day.

If a valuation based on the market price does not represent the fair value of the securities, 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 financial 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 basis approved by the Trustee after appropriate technical consultation.

Financial assets and other financial liabilities are subsequently carried at amortised cost using the effective interest rate method.

iii. Impairment for assets carried at amortised costs

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 close 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 months expected credit losses as any such impairment would be wholly insignificant to the Fund.

iv. 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.

v. Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

vi. 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 debtor's sources of income or assets to generate sufficient future cash flows to repay 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 year.

G. CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balances and deposits with licensed financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

H. AMOUNT DUE FROM/(TO) BROKERS

Amount due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The amount due from brokers balance is held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amount due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12 months expected credit losses. Significant financial difficulties of the brokers, probability that the brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Any contractual payment which is more than 90 days past due is considered credit impaired.

I. 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 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 are no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year 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 or 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.

J. TRANSACTION COSTS

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

K. DISTRIBUTION

A distribution to the Fund's unit holders is accounted for a deduction from realised reserves. A proposed distribution is recognised as a liability in the financial year in which it is approved by the Trustee.

L. 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 contents on the estimates, certain key variables that are anticipated to have material impacts 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's ("SC") Guidelines on Unit Trust Funds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1. INFORMATION ON THE FUND

Eastspring Investments Asia Pacific ex-Japan Target Return Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 24 April 2014 as modified by a Supplemental Deed dated 21 July 2014, Second Supplemental Deed dated 2 January 2015 and Third Supplemental Deed dated 22 June 2022 entered into between Eastspring Investments Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”) (collectively referred to as the “Deeds”).

The Fund was launched on 10 October 2014 and will continue its operations until terminated by the Trustee or the Manager as provided under Part 12 of the Deed.

The Fund seeks to provide capital appreciation by investing in securities in the Asia Pacific ex-Japan region.

The Fund seeks to achieve its objective by investing in equities and equity-related securities such as ADRs, right issues and warrants, which are domiciled in, listed in, and/or have significant operations in the Asia Pacific ex-Japan region. The Fund’s investments may also include liquid assets. The Fund will invest in markets where the regulatory authority is a member of the International Organisation of Security Commissions (“IOSCO”). The markets where the Fund will invest in include but are not limited to Australia, Hong Kong, India, Indonesia, Malaysia, New Zealand, South Korea, Taiwan, Vietnam, Singapore, Philippines and Thailand.

All investments will be subjected to the Securities Commission’s (“SC”) Guidelines on Unit Trust Funds, the Deeds and the Fund’s objective.

The Manager is a company incorporated in Malaysia and is related to Prudential Plc., a public listed company in the United Kingdom. The principal activity of the Manager is the establishment and management of unit trust funds and asset management.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks, which include market risk (inclusive of price risk, interest rate risk and foreign exchange/currency risk), liquidity risk, credit/default risk, fund management risk, non-compliance risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds.

Financial instruments of the Fund are as follows:

	Note	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Total
		RM	RM	RM
<u>2024</u>				
Cash and cash equivalents	8	53,258,307	-	53,258,307
Quoted securities	7	-	303,555,478	303,555,478
Amount due from Manager		110,189	-	110,189
Dividends receivable		742,805	-	742,805
		<u>54,111,301</u>	<u>303,555,478</u>	<u>357,666,779</u>
<u>2023</u>				
Cash and cash equivalents	8	73,377,107	-	73,377,107
Quoted securities	7	-	252,862,265	252,862,265
Amount due from Manager		11,448	-	11,448
Dividends receivable		1,228,788	-	1,228,788
		<u>74,617,343</u>	<u>252,862,265</u>	<u>327,479,608</u>

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

Market risk

i. Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The table below shows assets of the Fund as at 30 June which are exposed to price risk:

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Quoted securities	303,555,478	252,862,265

The following table summarises the sensitivity of the Fund's profit after tax and net asset value to movements in prices of quoted securities at the end of each reporting financial year. The analysis is based on the assumptions that the market price of the quoted securities increased by 5% and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

% Change in price	Market value	Impact on profit after tax and net asset value
	RM	RM
<u>2024</u>		
+5%	318,733,252	15,177,774
-5%	288,377,704	(15,177,774)
<u>2023</u>		
+5%	265,505,378	12,643,113
-5%	240,219,152	(12,643,113)

ii. Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows.

The Fund's investments in deposits with licensed financial institutions are short-term in nature. Therefore, exposure to interest rate fluctuations is minimal.

iii. Foreign exchange/Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of a foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

The following table sets out the foreign exchange/currency risk concentrations and counterparties of the Fund.

	Financial assets at fair value through profit or loss	Cash and cash equivalents	Dividends receivable	Total
	RM	RM	RM	RM
<u>2024</u>				
AUD	14,663,860	-	-	14,663,860
CNY	11,065,189	-	-	11,065,189
HKD	39,084,681	17,873	473,298	39,575,852
IDR	13,027,141	-	-	13,027,141
INR	42,594,669	6,996	75,080	42,676,745
KRW	34,487,291	-	-	34,487,291
PHP	2,811,339	-	-	2,811,339
SGD	48,114,142	651,647	-	48,765,789
THB	17,077,502	-	-	17,077,502
TWD	45,017,555	66,890	98,515	45,182,960
USD	-	27,603,236	-	27,603,236
	267,943,369	28,346,642	646,893	296,936,904

	Financial assets at fair value through profit or loss	Cash and cash equivalents	Dividends receivable	Total
	RM	RM	RM	RM
<u>2023</u>				
AUD	14,086,469	-	-	14,086,469
CNY	12,520,010	-	-	12,520,010
HKD	76,730,516	27,914	294,068	77,052,498
IDR	7,829,376	-	89,681	7,919,057
INR	16,864,357	5,680	10,232	16,880,269
KRW	28,457,010	-	-	28,457,010
PHP	3,120,358	-	-	3,120,358
SGD	29,196,172	103	-	29,196,275
THB	12,716,113	-	-	12,716,113
TWD	34,096,755	68,940	834,807	35,000,502
USD	-	33,603,208	-	33,603,208
	<u>235,617,136</u>	<u>33,705,845</u>	<u>1,228,788</u>	<u>270,551,769</u>

The following table summarises the sensitivity of the Fund's profit after tax and net asset value to changes in foreign exchange movements at the end of each reporting financial year. The analysis is based on the assumption that the foreign exchange rate changes by each currency's respective historical volatility, with all variables remain constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate.

Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in exchange rate	Impact on profit after tax	Impact on net asset value
	%	RM	RM
<u>2024</u>			
AUD	7.15	1,048,466	1,048,466
CNY	4.34	480,229	480,229
HKD	5.28	2,089,605	2,089,605
IDR	5.48	713,887	713,887
INR	5.10	2,176,514	2,176,514
KRW	6.74	2,324,443	2,324,443
PHP	5.20	146,190	146,190
SGD	3.35	1,633,654	1,633,654
THB	6.96	1,188,594	1,188,594
TWD	4.42	1,997,087	1,997,087
USD	5.31	1,465,732	1,465,732

	Change in exchange rate	Impact on profit after tax	Impact on net asset value
	%	RM	RM
<u>2023</u>			
AUD	11.41	1,607,266	1,607,266
CNY	5.63	704,877	704,877
HKD	5.72	4,407,403	4,407,403
IDR	6.02	476,727	476,727
INR	5.57	940,231	940,231
KRW	8.87	2,524,137	2,524,137
PHP	6.75	210,624	210,624
SGD	4.47	1,305,073	1,305,073
THB	7.87	1,000,758	1,000,758
TWD	4.54	1,589,023	1,589,023
USD	5.82	1,955,707	1,955,707

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Liquid assets comprise bank balances, deposits with licensed financial institutions and other instruments which are capable of being converted into cash within 7 days.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
2024			
Accrued management fee	514,669	-	514,669
Amount due to Manager	354,945	-	354,945
Amount due to Trustee	22,874	-	22,874
Amount due to brokers	2,874,274	-	2,874,274
Other payables and accruals	-	18,147	18,147
Contractual undiscounted cash outflows	<u>3,766,762</u>	<u>18,147</u>	<u>3,784,909</u>
2023			
Accrued management fee	485,224	-	485,224
Amount due to Manager	1,719,990	-	1,719,990
Amount due to Trustee	21,566	-	21,566
Amount due to brokers	155,857	-	155,857
Other payables and accruals	-	15,448	15,448
Contractual undiscounted cash outflows	<u>2,382,637</u>	<u>15,448</u>	<u>2,398,085</u>

Credit/Default risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of interest income, principals and proceeds from realisation of investments.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA1 or higher.

The credit risk arising from placements of deposits with licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions. For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by respective stock exchange.

The credit/default risk is minimal as all transactions in quoted securities are settled/paid upon delivery using approved brokers. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The following table sets out the credit risk concentrations and counterparties of the Fund.

	Cash and cash equivalents	Dividends receivable	Amount due from Manager	Total
	RM	RM	RM	RM
2024				
Consumer Staple				
- NR	-	38,874	-	38,874
Financial Services				
- AAA	24,866,845	-	-	24,866,845
- AA1	28,391,462	-	-	28,391,462
- NR	-	118,678	-	118,678
Industrial				
- NR	-	13,440	-	13,440
Real Estate				
- NR	-	126,303	-	126,303
Technology				
- NR	-	247,564	-	247,564
Utilities				
- NR	-	197,946	-	197,946
Other				
- NR	-	-	110,189	110,189
	53,258,307	742,805	110,189	54,111,301

	Cash and cash equivalents	Dividends receivable	Amount due from Manager	Total
	RM	RM	RM	RM
2023				
Consumer				
Discretionary				
- NR	-	127,577	-	127,577
Consumer Goods				
- NR	-	70,955	-	70,955
Financial Services				
- AAA	39,623,311	-	-	39,623,311
- AA1	33,753,796	-	-	33,753,796
- NR	-	106,892	-	106,892
Industrial				
- NR	-	48,833	-	48,833
Information				
Technology				
- NR	-	554,390	-	554,390
Technology				
- NR	-	187,985	-	187,985
Telecommunication				
Services				
- NR	-	89,681	-	89,681
Utilities				
- NR	-	42,475	-	42,475
Other				
- NR	-	-	11,448	11,448
	<u>73,377,107</u>	<u>1,228,788</u>	<u>11,448</u>	<u>74,617,343</u>

None of these financial assets are past due or impaired.

Fund management risk

There is the risk that the management company may not adhere to the investment mandate of the respective Funds. With close monitoring by the investment committee, back office system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such risk. The Trustee has an oversight function over management of the Fund by the management company to safeguard the interests of unit holder.

Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund are not compliant to the rules set out in the Fund's constitution or the laws that govern the Fund or applicable internal control procedures, or acts of fraudulence or dishonesty.

Non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the Manager.

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM328,014,501 (2023: RM309,944,673) and retained earnings of RM26,604,899 (2023: RM14,954,109). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

Fair value estimation

Fair value is defined as 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 (i.e. an exit price).

The fair value of financial assets traded in active market (such as trading securities) are based on quoted market prices at the close of trading on the financial year end 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 representative of the fair value.

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

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

i. Fair value hierarchy

The following table analyses financial instruments carried at fair value by valuation method.

The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: 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 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

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 require 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 market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

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

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<u>2024</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	303,555,478	-	-	303,555,478
<u>2023</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	252,862,265	-	-	252,862,265

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active quoted securities. 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 F to the financial statements.

- ii. The carrying value of cash and cash equivalents, amount due from Manager, dividends receivable and all liabilities are a reasonable approximation of their fair values due to their short-term nature.

3. MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 2.00% per annum of the net asset value of the Fund accrued on a daily basis.

For the financial year ended 30 June 2024, the management fee is recognised at a rate of 1.80% (2023: 1.80%) per annum on the net asset value of the Fund, calculated on daily basis.

There will be no further liability to the Manager in respect of the management fee other than the amounts recognised above.

4. TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to a fee at a rate not exceeding 0.20% per annum of the net asset value of the Fund, accrued on a daily basis for the financial year subject to a minimum fee of RM18,000 per annum excluding foreign custodian fees and charges.

For the financial year ended 30 June 2024, the Trustee fee is recognised at a rate of 0.08% (2023: 0.08%) subject to a minimum fee of RM18,000 per annum on the net asset value of the Fund excluding of foreign custodian fees and charges, calculated on daily basis.

There will be no further liability to the Trustee in respect of the Trustee fee other than the amounts recognised above.

5. TAXATION

	2024	2023
	RM	RM
Tax charged for the financial year:		
Current taxation	894,735	1,419,529
Foreign tax	1,511	138,516
Over provision of taxation in prior year	(928,423)	(9,800)
	<u>(32,177)</u>	<u>1,548,245</u>

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

	2024	2023
	RM	RM
Profit before taxation	<u>12,765,391</u>	<u>6,677,435</u>
Tax at Malaysian statutory rate of 24% (2023: 24%)	3,063,694	1,602,584
Tax effects of:		
Investment income not subject to tax	(4,069,053)	(1,914,514)
Expenses not deductible for tax purposes	477,331	512,252
Restriction on the tax deductible expenses for Unit Trust Funds	1,422,763	1,219,207
Foreign income subject to different tax rate	1,511	138,516
Over provision in prior year	(928,423)	(9,800)
Taxation	<u>(32,177)</u>	<u>1,548,245</u>

6. DISTRIBUTION

	2024	2023
	RM	RM
Distribution to unit holders is from the following sources:		
Prior financial year's realised income:	-	2,323,614
Dividend income	2,488,560	1,339,408
Interest income	449,000	92,155
Net realised gain on sale of investments	1,343,923	679,980
Dividend equalisation	13,358,281	11,284,850
	<hr/>	<hr/>
Gross realised income	17,639,764	15,720,007
Less: Expenses	(3,134,705)	(1,722,608)
	<hr/>	<hr/>
	14,505,059	13,997,399
	<hr/>	<hr/>
Gross distribution per unit (sen)	2.40	2.63
	<hr/>	<hr/>
Net distribution per unit (sen)	2.40	2.63
	<hr/>	<hr/>
Ex-Date	<hr/>	
	15 December 2023	16 December 2022

Gross distribution is derived using total income less total expenses. The distribution is made from current and prior financial years' realised income.

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

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

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Quoted securities	303,555,478	252,862,265
Net gain on financial assets at fair value through profit or loss:		
Realised loss on disposals	(7,907,789)	(3,590,244)
Change in unrealised fair value gain	21,148,959	11,815,167
	13,241,170	8,224,923

Quoted securities

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%

Local

Malaysia Securities

Consumer Products & Services

Genting Malaysia Berhad	563,200	1,523,592	1,436,160	0.40
Carlsberg Brewery Malaysia Berhad	176,700	3,543,432	3,304,290	0.93
	739,900	5,067,024	4,740,450	1.33

Financial Services

AMMB Holdings Berhad	343,600	1,408,760	1,474,044	0.42
CIMB Group Holdings Berhad	505,000	2,748,954	3,434,000	0.97
Malayan Banking Berhad	710,000	6,216,649	7,071,600	1.99
RHB Bank Berhad	588,823	3,346,135	3,244,415	0.91
	2,147,423	13,720,498	15,224,059	4.29

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
Local (continued)				
Malaysia Securities (continued)				
<u>Health Care</u>				
Alpha IVF Group Berhad	3,912,500	1,252,000	1,212,875	0.34
<u>Real Estate</u>				
IGB Real Estate Investment Trust	1,837,000	3,162,370	3,380,080	0.95
YTL Hospitality REIT	2,472,700	2,912,149	2,991,967	0.84
	4,309,700	6,074,519	6,372,047	1.79
<u>Utilities</u>				
Tenaga Nasional Berhad	585,100	5,737,506	8,062,678	2.27
Total Malaysia Securities	11,694,623	31,851,547	35,612,109	10.02
Foreign				
Australia Securities				
<u>Health Care</u>				
CSL Limited	11,000	9,874,753	10,224,805	2.88
<u>Material</u>				
BHP Group Limited	33,032	4,161,482	4,439,055	1.25
Total Australia Securities	44,032	14,036,235	14,663,860	4.13

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
China Securities				
<u>Industrial</u>				
NARI Technology Co., Limited	504,061	7,718,844	8,163,669	2.30
<u>Information Technology</u>				
Will Semiconductor Co., Limited Shanghai	45,000	3,218,003	2,901,520	0.82
Total China Securities	549,061	10,936,847	11,065,189	3.12
Hong Kong Securities				
<u>Exchange Traded Fund</u>				
iShares FTSE China A50 ETF RMB	900,000	6,841,330	6,713,819	1.89
<u>Financial Services</u>				
AIA Group Limited	105,800	4,724,308	3,389,796	0.96
<u>Information Technology</u>				
Alibaba Group Holding Limited	169,000	8,517,520	7,202,575	2.03
Baidu, Inc.	104,700	6,877,127	5,395,765	1.52
Sunny Optical Technology (Group) Company Limited	112,900	3,030,796	3,293,087	0.93
Tencent Holdings Limited	45,300	8,481,030	10,198,114	2.88
	431,900	26,906,473	26,089,541	7.36

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Hong Kong Securities (continued)				
<u>Real Estate</u>				
Link Real Estate Investment Trust	157,600	3,777,444	2,891,525	0.82
Total Hong Kong Securities	1,595,300	42,249,555	39,084,681	11.03
India Securities				
<u>Consumer Discretionary</u>				
PVR Inox Limited	37,000	3,278,888	2,987,308	0.84
<u>Consumer Staple</u>				
Godrej Consumer Products Limited	69,800	4,223,561	5,432,182	1.53
Hindustan Unilever Limited	34,000	4,885,557	4,760,329	1.34
	103,800	9,109,118	10,192,511	2.87
<u>Energy</u>				
Reliance Industries Limited	15,000	2,452,449	2,656,406	0.75

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
India Securities (continued)				
<u>Financial Services</u>				
Housing Development Finance Corporation Limited	73,145	5,901,061	6,966,633	1.96
ICICI Bank Limited	131,000	6,397,847	8,889,054	2.51
	204,145	12,298,908	15,855,687	4.47
<u>Industrial</u>				
Havells India Limited	50,000	3,606,279	5,154,203	1.45
<u>Material</u>				
Ultratech Cement Limited	8,710	4,963,076	5,748,554	1.62
Total India Securities	418,655	35,708,718	42,594,669	12.00
Indonesia Securities				
<u>Consumer Discretionary</u>				
PT Mitra Adiperkasa TBK	6,802,000	3,276,080	2,888,486	0.81
<u>Consumer Staple</u>				
PT Indofood CBP Sukses Makmur TBK	561,900	1,893,740	1,666,241	0.47
<u>Financial Services</u>				
PT Bank Mandiri (Persero) TBK	1,029,000	1,832,146	1,821,932	0.51

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Indonesia Securities (continued)				
<u>Health Care</u>				
PT Kalbe Farma TBK	7,900,700	3,939,848	3,468,783	0.98
<u>Telecommunication Services</u>				
PT Telkom Indonesia (Persero) TBK	3,530,800	3,922,348	3,181,699	0.90
Total Indonesia Securities	19,824,400	14,864,162	13,027,141	3.67
Philippines Security				
<u>Industrial</u>				
SM Investments Corporation	42,000	3,215,443	2,811,339	0.79
Total Philippines Security	42,000	3,215,443	2,811,339	0.79
Republic of Korea Securities				
<u>Consumer Discretionary</u>				
Hyundai Motor Company	3,853	3,316,239	3,887,860	1.10

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Republic of Korea Securities (continued)				
<u>Information Technology</u>				
Samsung Electronics Co., Limited	71,499	17,049,004	19,931,830	5.62
SK Hynix Inc.	13,187	4,928,904	10,667,601	3.01
	84,686	21,977,908	30,599,431	8.63
Total Republic of Korea Securities	88,539	25,294,147	34,487,291	9.73
Singapore Securities				
<u>Financial Services</u>				
DBS Group Holdings Limited	31,900	3,144,616	3,971,293	1.12
<u>Industrial</u>				
SATS Limited	1,185,170	10,601,684	11,749,112	3.31
Sembcorp Industries Limited	307,700	5,416,882	5,148,161	1.45
Singapore Post Limited	480,000	799,096	717,942	0.20
Singapore Technologies Engineering Limited	382,000	4,656,048	5,753,482	1.62
	2,354,870	21,473,710	23,368,697	6.58

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Singapore Securities (continued)				
<u>Real Estate</u>				
CapitalLand Ascendas REIT	421,000	4,224,024	3,748,880	1.06
CapitalLand Integrated Commercial Trust	699,000	4,478,964	4,814,175	1.36
Far East Hospitality Trust	717,800	1,509,361	1,548,013	0.44
Frasers Centrepoint Trust	412,800	3,001,063	3,058,432	0.86
	2,250,600	13,213,412	13,169,500	3.72
<u>Telecommunication Services</u>				
Singapore Telecommunications Limited	795,000	6,339,245	7,604,652	2.14
Total Singapore Securities	5,432,370	44,170,983	48,114,142	13.56
Taiwan Securities				
<u>Industrial</u>				
Airtac International Group	22,000	3,393,329	3,155,437	0.89
<u>Information Technology</u>				
ASE Technology Holding Co., Limited	161,000	3,181,801	3,938,271	1.11
United Microelectronics Corp.	426,000	3,211,100	3,444,647	0.97
	587,000	6,392,901	7,382,918	2.08

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Taiwan Securities (continued)				
<u>Technology</u>				
Asia Vital Components Co., Limited	19,000	1,781,328	2,110,060	0.60
Delta Electronics, Inc.	71,000	3,852,700	3,994,017	1.13
Hon Hai Precision Industry Co., Limited	313,000	4,790,341	9,723,844	2.74
Taiwan Semiconductor Manufacturing Co., Limited	103,000	9,182,227	14,444,224	4.07
Unimicron Technology Corp.	161,000	4,254,824	4,207,055	1.19
	667,000	23,861,420	34,479,200	9.73
Total Taiwan Securities	1,276,000	33,647,650	45,017,555	12.70
Thailand Securities				
<u>Consumer Staple</u>				
CP All Public Company Limited	789,000	6,465,181	5,543,740	1.56
<u>Health Care</u>				
Bangkok Dusit Medical Services Public Company Limited	902,000	3,403,815	3,067,568	0.87

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Thailand Securities (continued)				
<u>Industrial</u>				
Airports of Thailand Public Company Limited	520,000	4,935,376	3,803,820	1.07
<u>Telecommunication Services</u>				
Advanced Info Service Public Company Limited	173,000	4,758,801	4,662,374	1.31
Total Thailand Securities	2,384,000	19,563,173	17,077,502	4.81
Total Foreign Securities	31,654,357	243,686,913	267,943,369	75.54
TOTAL QUOTED SECURITIES	43,348,980	275,538,460	303,555,478	85.56
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		28,017,018		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		303,555,478		

Quoted securities

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
Local				
Malaysia Securities				
<u>Consumer Products & Services</u>				
Bermaz Auto Berhad	700,000	1,505,000	1,561,000	0.48
Genting Malaysia Berhad	1,408,200	3,809,521	3,464,172	1.07
	2,108,200	5,314,521	5,025,172	1.55
<u>Financial Services</u>				
Allianz Malaysia Berhad	112,800	1,566,062	1,613,040	0.50
CIMB Group Holdings Berhad	600,000	3,135,180	3,036,000	0.93
Malayan Banking Berhad	500,000	4,300,000	4,315,000	1.33
	1,212,800	9,001,242	8,964,040	2.76
<u>Plantation</u>				
IOI Corporation Berhad	872,900	3,396,008	3,255,917	1.00
Total Malaysia Securities	4,193,900	17,711,771	17,245,129	5.31
Foreign				
Australia Securities				
<u>Health Care</u>				
CSL Limited	11,000	9,874,753	9,472,693	2.92
<u>Material</u>				
BHP Group Limited	33,032	4,161,482	4,613,776	1.42
Total Australia Securities	44,032	14,036,235	14,086,469	4.34

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
China Securities				
<u>Industrial</u>				
Contemporary Amperex Technology Co., Limited	47,200	7,231,293	6,945,413	2.14
NARI Technology Co., Limited	375,217	5,745,392	5,574,597	1.72
	422,417	12,976,685	12,520,010	3.86
Total China Securities	422,417	12,976,685	12,520,010	3.86
Hong Kong Securities				
<u>Consumer Discretionary</u>				
BYD Company Limited	52,000	6,927,640	7,746,857	2.38
Fuyao Glass Industry Group Co., Limited	180,000	3,580,814	3,475,359	1.07
JD.com, Inc.	42,083	4,623,442	3,320,296	1.02
Tongcheng Travel Holdings Limited	668,000	5,483,328	6,520,374	2.01
Trip.Com Group Limited	15,850	2,304,161	2,574,763	0.79
	957,933	22,919,385	23,637,649	7.27
<u>Consumer Staple</u>				
China Mengniu Dairy Company Limited	190,000	3,613,235	3,340,087	1.03

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Hong Kong Securities (continued)				
<u>Financial Services</u>				
ALA Group Limited	150,000	7,081,141	7,070,496	2.18
Industrial And Commercial Bank of China Limited	1,300,000	2,926,397	3,238,186	1.00
Ping An Insurance (Group) Company of China Limited	106,000	2,820,996	3,148,859	0.97
	<u>1,556,000</u>	<u>12,828,534</u>	<u>13,457,541</u>	<u>4.15</u>
<u>Industrial</u>				
CIMC Enric Holdings Limited	1,120,000	5,016,083	4,671,950	1.44
Zhuzhou CRRCTimes Electric Co., Limited	151,500	2,860,933	2,636,196	0.81
	<u>1,271,500</u>	<u>7,877,016</u>	<u>7,308,146</u>	<u>2.25</u>
<u>Information Technology</u>				
Alibaba Group Holding Limited	173,000	8,755,439	8,371,134	2.58
Baidu, Inc.	44,500	2,895,597	3,521,602	1.08
Hua Hong Semiconductor Limited	196,000	2,550,763	2,990,048	0.92
Tencent Holdings Limited	40,300	7,111,641	7,963,459	2.45
Xiaomi Corporation	466,000	3,350,176	2,976,891	0.92
	<u>919,800</u>	<u>24,663,616</u>	<u>25,823,134</u>	<u>7.95</u>

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Hong Kong Securities (continued)				
<u>Utilities</u>				
ENN Energy Holdings Limited	54,400	3,368,186	3,163,959	0.97
Total Hong Kong Securities	4,949,633	75,269,972	76,730,516	23.62
Indonesia Securities				
<u>Consumer Discretionary</u>				
PT Mitra Adiperkasa TBK	3,200,000	1,520,588	1,682,429	0.52
<u>Consumer Staple</u>				
PT Indofood CBP Sukses Makmur TBK	950,000	3,320,912	3,347,047	1.03
<u>Telecommunication Services</u>				
PT Telekomunikasi Indonesia (Persero) TBK	2,250,000	2,731,427	2,799,900	0.86
Total Indonesia Securities	6,400,000	7,572,927	7,829,376	2.41

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
India Securities				
<u>Financial Services</u>				
Housing Development Finance Corporation Limited	42,000	5,654,611	6,737,140	2.07
ICICI Bank Limited	122,000	5,822,888	6,481,307	1.99
	<u>164,000</u>	<u>11,477,499</u>	<u>13,218,447</u>	<u>4.06</u>
<u>Telecommunication Services</u>				
Havells India Limited	50,000	3,606,279	3,645,910	1.12
Total India Securities	214,000	15,083,778	16,864,357	5.18
Philippines Security				
<u>Industrial</u>				
SM Investments Corporation	40,000	3,022,639	3,120,358	0.96
Total Philippines Security	40,000	3,022,639	3,120,358	0.96
Republic of Korea Securities				
<u>Consumer Staple</u>				
LG H&H Co., Limited	2,300	5,349,147	3,737,284	1.15

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Republic of Korea Securities (continued)				
<u>Information Technology</u>				
Naver Corporation	4,750	4,113,698	3,073,869	0.95
Samsung Electronics Co., Limited	30,618	6,311,299	7,825,814	2.41
Samsung SDI Co., Limited	1,503	2,971,518	3,559,595	1.10
SK Hynix Inc.	7,500	2,324,191	3,058,646	0.94
	44,371	15,720,706	17,517,924	5.40
<u>Material</u>				
LG Chem Limited	3,050	6,260,104	7,201,802	2.22
	49,721	27,329,957	28,457,010	8.77
Singapore Securities				
<u>Financial Services</u>				
DBS Group Holdings Limited	50,000	5,421,751	5,429,803	1.67
<u>Industrial</u>				
SATS Limited	1,185,170	10,601,684	10,538,190	3.24
Singapore Technologies Engineering Limited	382,000	4,656,048	4,844,811	1.49
	1,567,170	15,257,732	15,383,001	4.73
<u>Real Estate</u>				
CapitalLand Integrated Commercial Trust	750,000	4,806,087	4,936,968	1.52

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Singapore Securities (continued)				
<u>Telecommunication Services</u>				
Singapore Telecommunications Limited	400,000	3,170,131	3,446,400	1.06
Total Singapore Securities	2,767,170	28,655,701	29,196,172	8.98
Taiwan Securities				
<u>Consumer Discretionary</u>				
Eclat Textile Co., Limited	46,000	3,077,209	3,437,819	1.06
<u>Industrial</u>				
Airtac International Group	22,000	3,442,865	3,373,931	1.04
<u>Information Technology</u>				
Hon Hai Precision Industry Co., Limited	370,000	5,662,705	6,255,612	1.93
MediaTek Inc.	31,000	3,751,564	3,191,095	0.98
Taiwan Semiconductor Manufacturing Co., Limited	82,000	5,871,182	7,066,852	2.18
	483,000	15,285,451	16,513,559	5.09

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Taiwan Securities (continued)				
<u>Technology</u>				
Delta Electronics, Inc.	60,000	3,335,004	3,092,646	0.95
Gold Circuit Electronics Limited	157,000	3,313,255	3,429,591	1.06
Wiwynn Corporation	20,000	3,139,237	4,249,209	1.31
	<u>237,000</u>	<u>9,787,496</u>	<u>10,771,446</u>	<u>3.32</u>
Total Taiwan Securities	788,000	31,593,021	34,096,755	10.51
Thailand Securities				
<u>Health Care</u>				
Bangkok Dusit Medical Services Public Company Limited	800,000	3,047,343	2,904,066	0.89
<u>Industrial</u>				
Airports of Thailand Public Company Limited	520,000	4,935,376	4,925,032	1.52

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Thailand Securities (continued)				
<u>Telecommunication Services</u>				
Advanced Info Service Public Company Limited	173,000	4,758,801	4,887,015	1.50
Total Thailand Securities	1,493,000	12,741,520	12,716,113	3.91
Total Foreign Securities	17,167,973	228,282,435	235,617,136	72.54
TOTAL QUOTED SECURITIES	21,361,873	245,994,206	252,862,265	77.85
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		6,868,059		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		252,862,265		

8. CASH AND CASH EQUIVALENTS

	2024	2023
	RM	RM
Bank balances with a licensed bank	28,391,462	33,753,796
Deposits with licensed financial institution	24,866,845	39,623,311
	<u>53,258,307</u>	<u>73,377,107</u>

The currency exposure profile of cash and cash equivalents are as follows:

	2024	2023
	RM	RM
HKD	17,873	27,914
INR	6,996	5,680
MYR	24,911,665	39,671,262
SGD	651,647	103
TWD	66,890	68,940
USD	27,603,236	33,603,208
	<u>53,258,307</u>	<u>73,377,107</u>

The effective weighted average interest rate of short-term deposits with licensed financial institution per annum as at the date of the statement of financial position are as follows:

	2024	2023
	%	%
Deposits with licensed financial institution	<u>3.35</u>	<u>3.05</u>

The deposits have an average maturity of 1 day (2023: 3 days).

9. UNITS IN CIRCULATION

	2024	2023
	No. of units	No. of units
At the beginning of the financial year	580,042,695	133,979,675
Creation of units during the financial year:		
Arising from applications	94,823,103	472,665,522
Arising from distribution	27,725,996	25,114,251
Cancellation of units during the financial year	(63,243,092)	(51,716,753)
At the end of the financial year	<u>639,348,702</u>	<u>580,042,695</u>

10. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers are as follows:

Name of brokers	Value	Percentage	Brokerage fees	Percentage
	of trades	of total trades		of total brokerage fees
	RM	%	RM	%
<u>2024</u>				
CLSA Limited	110,612,280	27.52	110,135	22.37
Morgan Stanley & Co. LLC	66,539,687	16.56	49,915	10.14
Citigroup Global Markets Limited	62,360,318	15.52	79,203	16.09
Merrill Lynch International Limited	24,421,708	6.08	35,851	7.28
UBS Securities Pte Ltd	24,322,445	6.05	25,561	5.19
Macquarie Capital Securities Limited	20,025,792	4.98	33,644	6.84
RHB Investment Bank Berhad	19,016,403	4.73	39,584	8.04
J.P. Morgan Securities	18,093,122	4.50	21,534	4.38
Goldman Sachs Group, Inc.	15,694,833	3.90	18,836	3.83
Maybank Investment Bank Berhad	15,191,622	3.78	28,864	5.86
Others	25,612,612	6.38	49,100	9.98
	<u>401,890,822</u>	<u>100.00</u>	<u>492,227</u>	<u>100.00</u>

Name of brokers	Value	Percentage	Brokerage fees	Percentage
	of trades	of total		of total
	RM	%	RM	%
2023				
Morgan Stanley & Co. LLC	239,218,197	38.51	168,893	27.33
CLSA Limited	76,164,488	12.26	91,269	14.77
Merrill Lynch International Limited	75,595,496	12.17	57,404	9.29
Citigroup Global Markets Limited	41,803,678	6.73	33,350	5.40
Credit Suisse Limited	38,030,292	6.12	36,033	5.83
UBS Securities Pte Ltd	31,989,538	5.15	44,273	7.16
J.P. Morgan Securities	26,669,895	4.29	36,156	5.85
Goldman Sachs Group, Inc.	20,218,536	3.25	24,525	3.97
Macquarie Capital Securities Limited	20,194,698	3.25	33,984	5.50
Maybank Investment Bank Berhad	17,807,816	2.87	36,429	5.90
Others	33,504,267	5.40	55,637	9.00
	621,196,901	100.00	617,953	100.00

All brokers highlighted above are not related to the Manager.

11. TOTAL EXPENSE RATIO (“TER”)

	2024	2023
	%	%
TER	1.94	1.94

TER is derived from the following calculation:

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

A = Management fee

B = Trustee fee

C = Audit fee

D = Tax agent fee

E = Other expenses (excluding sales and service tax on transaction cost and withholding tax)

F = Average net asset value of the Fund calculated on a daily basis

The average net asset value of the Fund for the financial year calculated on a daily basis is RM328,639,257 (2023: RM281,066,373).

12. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024	2023
PTR (times)	0.61	1.11

PTR is derived from the following calculation:

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

where:

total acquisitions for the financial year = RM219,712,432 (2023: RM395,399,247)

total disposals for the financial year = RM182,236,086 (2023: RM227,934,230)

13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

Related parties	Relationship
Director of Eastspring Investments Berhad	Director of the Manager
Eastspring Investments Berhad	The Manager
Eastspring Investments Group Private Limited	Immediate holding company of the Manager
Prudential Plc	Ultimate holding company of the Manager

Units held by Manager and parties related to the Manager:

	2024		2023	
	No. of units	RM	No. of units	RM
Eastspring Investments Berhad	2,932	1,626	2,802	1,569
Director of Eastspring Investments Berhad	-	-	155,886	87,312

The above units were transacted at the prevailing market price.

The units are held legally and beneficially by the Manager and are within the prescribed limit allowed by the SC's Guidelines on Unit Trust Funds. Other than the above, there were no units held by the Directors or parties related to the Manager.

In addition to the related parties disclosure mentioned in the financial statements, there were no other significant related parties transactions and balances.

14. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 23 August 2024.

CORPORATE DIRECTORY

THE MANAGER

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

REGISTERED OFFICE

Level 25, Menara Hong Leong

No. 6, Jalan Damanela

Bukit Damansara

50490 Kuala Lumpur

BUSINESS OFFICE

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Persiaran TRX Barat

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TRUSTEE

NAME

DEUTSCHE TRUSTEES MALAYSIA BERHAD

COMPANY NO.

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SALE & PURCHASE OF UNITS

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Persiaran TRX Barat

55188 Tun Razak Exchange

Kuala Lumpur

TELEPHONE NO.

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ENQUIRIES

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