

KENANGA GROWTH FUND

ANNUAL REPORT

For the Financial Year Ended 31 May 2024

kenanga

Kenanga Investors Berhad
Company No. 199501024358 (353563-P)

KENANGA GROWTH FUND

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CORPORATE DIRECTORY

Manager: Kenanga Investors Berhad Company No. 199501024358 (353563-P)

Registered Office

Level 17, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 2888
Fax: 03-2172 2999

Business Office

Level 14, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia.
Tel: 03-2172 3000
Fax: 03-2172 3080
E-mail: investorservices@kenanga.com.my
Website: www.kenangainvestors.com.my

Board of Directors

Choy Khai Choon (**Chairman, Non-Independent Non-Executive Director**)

Norazian Ahmad Tajuddin (**Independent Non-Executive Director**)

Luk Wai Hong, William (**Non-Independent Non-Executive Director**)

Norazilla Binti Md Tahir (**Independent Non-Executive Director**)

Datuk Wira Ismitz Matthew De Alwis
(**Chief Executive Officer, Executive Director**)

Investment Committee

Norazian Ahmad Tajuddin (**Independent Member**)

Norazilla Binti Md Tahir (**Independent Member**)

Luk Wai Hong, William (**Non-Independent Member**)

Datuk Wira Ismitz Matthew De Alwis
(**Non-Independent Member**)

Company Secretary: Norliza Abd Samad (MAICSA 7011089)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia.

Trustee: CIMB Commerce Trustee Berhad Company No. 199401027349 (313031-A)

Registered Office

Level 13, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50490 Kuala Lumpur.
Tel: 03-2261 8888
Fax: 03-2261 0099
Website: www.cimb.com

Business Office

Level 21, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50490 Kuala Lumpur.
Tel: 03-2261 8888
Fax: 03-2261 9894

Auditor: Ernst & Young PLT Company No. 202006000003 (LLP0022760-LCA) & AF 0039

Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.
Tel: 03-7495 8000 Fax: 03-2095 5332

Tax Adviser: Ernst & Young Tax Consultants Sdn Bhd Company No. 198901002487 (179793-K)

Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.
Tel: 03-7495 8000 Fax: 03-2095 5332

Membership: Federation of Investment Managers Malaysia (FIMM)

19-06-1, 6th Floor, Wisma Tune, 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.
Tel: 03-2093 2600 Fax: 03-2093 2700 Website: www.fimm.com.my

DIRECTORY OF MANAGER'S OFFICES

Regional Branch Offices:

Kuala Lumpur

Level 13, Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur
Tel: 03-2172 3123
Fax: 03-2172 3133

Melaka

No. 43, Jalan KSB 11
Taman Kota Syahbandar
75200 Melaka
Tel: 06-240 2310
Fax: 06-240 2287

Klang

No. 12, Jalan Batai Laut 3
Taman Intan
41300 Klang, Selangor
Tel: 03-3341 8818 / 03-3348 7889
Fax: 03-3341 8816

Penang

5.04, 5th Floor
Menara Boustead Penang
No. 39, Jalan Sultan Ahmad Shah
10050 Penang
Tel: 04-210 6628
Fax: 04-210 6644

Miri

2nd Floor, Lot 1264
Centre Point Commercial Centre
Jalan Melayu
98000 Miri, Sarawak
Tel: 085-416 866
Fax: 085-322 340

Seremban

2nd Floor, No. 1D-2
Jalan Tuanku Munawir
70000 Seremban
Negeri Sembilan
Tel: 06-761 5678
Fax: 06-761 2242

Johor Bahru

No. 63
Jalan Molek 3/1, Taman Molek
81100 Johor Bahru, Johor
Tel: 07-288 1683
Fax: 07-288 1693

Kuching

1st Floor, No 71
Lot 10900, Jalan Tun Jugah
93350 Kuching, Sarawak
Tel: 082-572 228
Fax: 082-572 229

Kuantan

Ground Floor Shop
No. B8, Jalan Tun Ismail 1
25000 Kuantan, Pahang
Tel: 09-514 3688
Fax: 09-514 3838

Ipoh

No. 1, Jalan Leong Sin Nam
30300 Ipoh, Perak
Tel: 05-254 7573 / 7570
Fax: 05-254 7606

Kota Kinabalu

Level 8, Wisma Great Eastern
No. 68, Jalan Gaya
88000 Kota Kinabalu, Sabah
Tel: 088-203 063
Fax: 088-203 062

Damansara Uptown

44B, Jalan SS21/35
Damansara Utama
47400 Petaling Jaya, Selangor
Tel: 03-7710 8828
Fax: 03-7710 8830

Kota Damansara

C26-1, Dataran Sunway
Jalan PJU 5/17
Kota Damansara
47510 Petaling Jaya, Selangor
Tel: 03-6150 3612
Fax: 03-6150 3906

Kluang

No. 1, Aras 1, Jalan Haji Manan
Pusat Perniagaan Komersial Haji Manan
86000 Kluang, Johor
Tel: 07-710 2700
Fax: 07-710 2150

1. FUND INFORMATION

1.1 Fund Name

Kenanga Growth Fund (**KGF or the Fund**)

1.2 Fund Category / Type

Equity / Growth

1.3 Investment Objective

The Fund aims to provide unit holders with long-term capital growth.

1.4 Investment Strategy

The Fund's assets are actively invested in a diversified portfolio of Malaysian equity and equity-related securities. The Fund may invest up to 25% of the Fund's NAV in foreign markets, which may include but not limited to Singapore, Indonesia, Thailand, Philippines, Vietnam, India, Hong Kong, China, Japan, Korea, Taiwan, Australia, United States of America and any other Eligible Markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions.

1.5 Duration

The Fund was launched on 17 January 2000 and shall exist as long as it appears to the Manager and the Trustee that it is in the interests of the unitholders for it to continue.

1.6 Performance Benchmark

FTSE-Bursa Malaysia Kuala Lumpur Composite Index (FBM-KLCI).

1.7 Distribution Policy

Income distribution is incidental, if any.

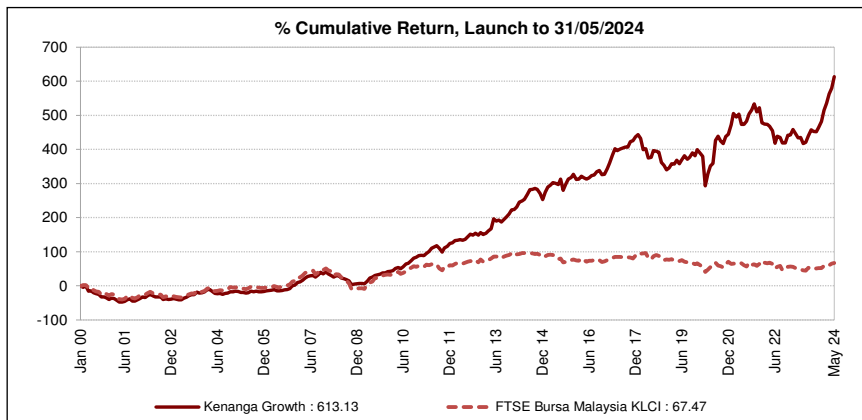
2. MANAGER'S REPORT

2.1 Explanation on whether the Fund has achieved its investment objective

Since inception, the Fund has appreciated by 613.13% in Net Asset Value (NAV) terms while its benchmark rose 67.47%, thus achieving the Fund's stated objective to provide long-term capital growth.

2.2 Comparison between the Fund's performance and performance of the benchmark

**Performance Chart Since Launch (17/01/2000 - 31/05/2024)
Kenanga Growth Fund vs Benchmark***



* FTSE-Bursa Malaysia Kuala Lumpur Composite Index (FBM-KLCI)
Source: Novagni Analytics and Advisory

2.3 Investment strategies and policies employed during the financial year under review

For the financial year under review, the Fund continued with its strategy of investing in companies with sustainable business models and competent management, whilst trading at a discount to their intrinsic/fair value.

2.4 The Fund's asset allocation as at 31 May 2024 and comparison with the previous financial year

Asset	31 May 2024	31 May 2023
Listed equity securities	93.0%	88.5%
Listed collective investment scheme	1.6%	2.9%
Unlisted options	0.7%	1.0%
Short term deposits and cash	4.7%	7.6%

Reason for the differences in asset allocation

As at 31 May 2024, the increase in equities exposure is mainly due to the Fund Manager taking advantage of the market's weakness.

2.5 Fund performance analysis based on NAV per unit (adjusted for income distribution; if any) since last review year

	Year under review
KGF	37.92%
FBM-KLCI	15.11%

Source: Lipper

For the financial year under review, the Fund outperformed its benchmark by 22.81%. The outperformance was mainly due to stock selection.

2.6 Review of the market

Market review

US equities were strongly positive in June 2023. The S&P 500 gained 6.5%, the Nasdaq advanced 6.6%. Both indexes notched a fourth consecutive positive month. The Dow Jones climbed 4.6%. This advance came amid moderating inflation and signs that the US economy remains resilient despite higher interest rates. May's inflation data came in at 4.05%, the lowest level in two years. Core inflation declined slightly, while Consumer Price Index (CPI) marginally increased month-on-month (MoM). Amid softening inflation, the US Federal Reserve (Fed) kept the target Federal Funds Rate unchanged at 5.25%, making its 14 June meeting the first without an increase in the last eleven meetings. Locally, Malaysian equities extended their negative trajectory with the FBM KLCI, FBM 100, and FBM Shariah recording MoM declines of 0.8%, 1.1%, and 1.8% respectively, with the exception of FBM Small Cap, which increased marginally by 0.1% MoM. Net foreign selling increased by 85% MoM to RM1,348 million in June. The Government made an announcement to cut the stamp duty rate from 0.15% to 0.10% in order to reduce the cost of securities transactions and make the Malaysian stock market more competitive. On currency, the Malaysia Ringgit (MYR) weakened by 1.2% to RM4.67.

Global equity markets rose in July on the positive signs of slowing inflation in several economies, an expectation that policy rates are near peak levels and hopes for a soft landing in the US. Continued interest around artificial intelligence (AI) added to the positive momentum. US Dow Jones, S&P 500 and Nasdaq gained 3.4%, 3.1% and 4.1% MoM. US Consumer Price Index (CPI) moderated further to 3% year-on-year (YoY) in June, down from 4% YoY in May. The Fed raised its interest rates by 25 basis points (bps) at July Federal Open Market Committee (FOMC) meeting to 5.25%-5.50%, being the highest level in 22 years. Locally, FBMKLCI turned positive after 6 consecutive months of declines. FBMKLCI, FBM100, FBM Shariah and FBM Small Cap recorded MoM gains of 6.0%, 5.6%, 5.2% and 5.0% respectively. Foreign investors turned net buyers in July after having been net sellers of Malaysia equities for ten consecutive months. On currency, the MYR strengthened by 3.4% to RM4.51. Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 3.00% during the July Monetary Policy Meeting (MPC) meeting. Prime Minister Dato' Seri Anwar Ibrahim unveiled a plan for an economic stimulus named the Madani Economy Framework to boost the Malaysian economy and improve quality of life. Key initiatives of the Madani Economy plan include setting up a special financial zone in the Iskandar Malaysia region in Johor, a review of minimum wages, bringing more women into the workforce, as well as reducing corruption and reliance on foreign labour. Separately, the first phase of the National Energy Transition Roadmap (NETR) was officially launched on 27 July.

2.6 Review of the market (contd.)

Market review (contd.)

Global equity markets retraced in August with US S&P 500, Nasdaq and Dow Jones down 1.8%, 2.2% and 2.4% MoM. US CPI rose 3.2% YoY. Fitch Ratings downgraded the US' debt rating from the highest AAA rating to AA+, citing "a steady deterioration in standards of governance". Job openings fell to the lowest since March 2021 as the labor market softened. Locally, FBMKLCI and FBM Shariah recorded MoM losses of 0.5% and 0.3% while FBM100 and FBM Small Cap recorded MoM gains of 0.2% and 3.1% respectively. The six state elections concluded on 12 August with status quo being broadly maintained. The Malaysia Prime Minister announced that Forest City would be redesignated as a special financial zone and offer incentives to attract investments. The Government unveiled the second phase of National Energy Transition Roadmap (NETR) on the 29 August, where a RM2 billion "Seed Fund" is being allocated to serve as an energy transition facility. August also saw two proposed major merger and acquisition (M&A) exercises of KL Kepong – Boustead Plantations and Sime Darby – UMW Holdings. On currency, the MYR weakened by 2.9% to RM4.64.

Global equity markets retraced in September with notable declines in the US indices: The S&P 500, Nasdaq and Dow Jones registered drops of 4.9%, 5.1% and 3.5% MoM, respectively. The focal point was the Fed's decision to maintain the Federal Funds Rate target range at 5.25% to 5.5%. The accompanying dot-plot indicated an expectation of one more interest rate hike within the current year. On the inflation front, US CPI in August recorded a 0.6% MoM increase, primarily attributable to rising energy prices. Locally, Malaysian equity indices recorded mixed results in September. FBMKLCI, FBM Shariah, and FBM100 experienced MoM losses of 1.9%, 0.4%, and 1.6%, respectively, while FBM Small Cap posted MoM gains of 0.7%. BNM maintained the OPR at 3.0% in its September policy meeting and signaled an extended pause in OPR. The MYR weakened by 1.25% to RM4.70.

In October 2023, global equities (MSCI World), experienced a 3.0% MoM decline, primarily driven by significant drops in key US indices: The S&P 500, Nasdaq, and Dow Jones fell by 2.2%, 2.1%, and 1.4% MoM respectively. October's FOMC meeting ended with Fed staying on pause mode. Locally, Malaysian equity indices recorded mixed results in October. FBMKLCI, and FBM100 experienced MoM gains of 1.3% and 0.7%, respectively, while FBM Shariah and FBM Small Cap posted MoM losses of 0.3% and 2.0% respectively. Notable sectoral performance saw Finance, Plantation, Construction, Industrial Production and Healthcare sectors leading in gains, while Property, Consumer, Technology, Energy, Real Estate Investment Trusts (REITs) and Utilities sectors recorded losses. Malaysia's 2024 Budget was tabled in Parliament on 13 October which included maintaining fiscal consolidation with a reduced budget deficit to Gross Domestic Product (GDP) ratio of 4.3%, introduction of capital gains tax, high-value/luxury goods tax, higher service tax, and mentions of targeted subsidy rationalization, as well as e-invoicing.

In November, continued economic momentum in the US, along with robust labor markets, bolstered optimism in the market for a smooth economic transition, providing support to equity markets throughout November. The major stock indexes experienced gains, with the S&P 500, Nasdaq, and Dow Jones rising by 8.9%, 10.7%, and 8.8% MoM, respectively. The market was encouraged by the release of the US CPI for October, which turned out to be milder than anticipated. Both headline and core inflation moderated to 3.2% YoY and 4.0% YoY respectively. The primary contributors to this drop were decreases in energy and gasoline prices, along with reduced travel expenses and hotel rates. Locally, Malaysian equity indices recorded positive results in November. The FBMKLCI, FBM100, FBM Shariah and FBM Small Cap experienced MoM gains of 0.7%, 0.8%, 0.8% and 1.6% respectively. Notable sectoral performance saw Utilities, Healthcare, Technology, Plantation, Consumer and REITs sectors leading in gains. BNM maintained the OPR at 3.0% in its November policy meeting. After a substantial outflow of RM2.18 billion in October, foreign investors turned more positive on Malaysian equities in November as they bought RM1.55 billion.

2.6 Review of the market (contd.)

Market review (contd.)

In the final month of 2023, global equities experienced a modest retreat; nevertheless, they achieved their most significant annual surge since 2019, driven by anticipations of central bank interest rate reductions. The S&P 500, Nasdaq, and Dow Jones rose 4.4%, 5.5% and 4.8% respectively in Dec 2023. The Fed kept the overnight federal funds rate within the range of 5.25% to 5.5% during its policy meeting in December 2023. Locally, Malaysian equity indices recorded positive results in December. The FBMKLCI, FBM100, FBM Shariah and FBM Small Cap experienced MoM gains of 0.1%, 0.9%, 0.5% and 1.5% respectively. Notable sectoral performance saw Healthcare, Utilities, Construction, Telecommunication, Transportation, Property, Finance, Industrial sectors and Technology sectors leading in gains. The Dollar index extended its decline in December, dropping by an additional 2.1%. Among the Asian currencies, the primary beneficiaries were MYR (1.4% MoM); CNY: (0.5% MoM); PHP: (0.2% MoM); IDR (0.7% MoM), and THB (3.0% MoM).

In January 2024, S&P 500, Dow Jones and Nasdaq were up 1.6%, 1.2% and 1.0% MoM with S&P 500 and Dow Jones at record highs as optimism around a 'soft landing' scenario continued the rally in the 'Magnificent Seven' stocks. A number of data releases including a strong GDP print, robust jobs report, firm wage growth and steady unemployment pointed to the ongoing resilience of the US economy. The FOMC maintained the policy rate at 5.25%-5.50% but pushed back against expectations of a rate cut in March's FOMC meeting. Malaysia's KLCI (+4.0% MoM) was the best performing market in Asia in January, while FBM100, FBM Shariah and FBM Small Cap each registered MoM gains of 4.0%, 2.6% and 2.2% respectively. Locally, market responded positively to the Memorandum of Understanding (MoU) signing for the Johor Singapore Special Economic Zone, including the decision by BNM to maintain the OPR rate at 3% that helps offset concerns related to slower-than-expected GDP growth in 4Q2023 and the announcement of increased power and water tariffs. The stellar performance of the KLCI was partly driven by foreign funds buying YTL Power and YTL Corp shares. On currency, the Ringgit weakened by 3.0% to RM4.73.

In US, the Nasdaq, S&P 500 and Dow Jones were up 6.1%, 5.2%, 2.2% MoM in February respectively, fueled by stronger growth and falling tail risks, with 2024 GDP expected to grow 2.1%, while reported 4Q2023 earnings per share (EPS) grew 10% YoY with earnings more than 7% above expectations, led mainly by the technology sector. Locally, the FBM100, FBM Syariah and FBM Small Cap registered MoM gains of 2.5%, 2.3% and 0.4% respectively. The positive performance was attributed to strong foreign buying interests and improving domestic fundamentals. Technology, Consumer and Energy sectors emerged as the best performing sectors, while the Healthcare, Property and Utilities sectors were the worst performing. In February, Malaysia witnessed the installation of the 17th King on 31st January 2024. There were revisions to Malaysia's GDP growth for 4Q2023 from 3.4% to 3.0%, and from 3.8% to 3.7% for the full year 2023. The inclusion of YTL Corp and YTL Power International in the MSCI Malaysia Index as of the close of 29 February and the announcement of tax incentives for companies relocating their bases to Tun Razak Exchange were other key developments.

The S&P 500, Dow Jones and Nasdaq were up 3.1%, 2.1% and 1.8% MoM in March respectively, fueled by the continued optimism over the economy, potential rate cuts, and business opportunities in the AI space. The Fed maintained rates at 5.25%-5.5%, keeping rates steady for the fifth consecutive meeting. Locally, FBM Small Cap, FBM Shariah, and FBM 100 registered MoM gains of 3.1%, 1.0%, and 0.5% respectively, whereas FBM KLCI fell 1.0% MoM. News flows in the month were centered around infrastructure but leading the gains were Property (9.3% MoM), followed by Construction (5.6% MoM), and Transport (3.6%). Meanwhile, the worst performing sectors were Telecom (-2.6% MoM), Consumer (-1.2% MoM), and REIT (-0.5% MoM). BNM kept OPR unchanged at 3% following the

2.6 Review of the market (contd.)

Market review (contd.)

March MPC meeting. Other key developments were the Government and Malaysia Airports Holdings inking new operating agreements for the next 45 years, Sime Darby completing their acquisition of UMW Holdings, and approval of Penang LRT, with Gamuda's 60% owned subsidiary bagging the civil works contract on the first segment. The implementation of High Value Goods tax (HGVGT) has been postponed amidst calls to further study its impact.

US equities fell sharply, with the Dow Jones, S&P 500 and Nasdaq falling 5.0%, 4.2% and 4.4% respectively due to a higher-than-expected inflation print which sparked fears of delays for interest rate cuts. CPI rose 0.4% MoM coming in higher than consensus' expectation of 0.3%. On a YoY basis, both headline and core CPI rose to 3.5% and 3.8% respectively, above economists' forecasts. In addition, March saw an additional 303,000 jobs added, way ahead of the 200,000 jobs anticipated. Brent crude oil prices grew 0.4% to USD87.86/bbl amidst the Middle East geopolitical conflict. Locally, the FBMKLCI rallied by 2.6%, reaching a two-year high of 1576 points despite the Middle East geopolitical concerns and persistent selling by foreign investors. The broader market rallied as well with FBM100, FBM Shariah and FBM Small Cap rising 2.5%, 3.8% and 3.4% respectively. Sector wise, Utilities were the best performer in April alongside Industrials with strong gains seen in YTL Power, YTL Corp and Press Metal.

US equities rose in the month of May 2024 driven by better-than-expected corporate earnings, investors' optimism on the economic outlook and expectation of interest rate cut later this year. US consumer prices increased less than expected in April, suggesting that inflation resumed its downward trend. US Dow Jones, S&P 500 and Nasdaq rose 2.3%, 4.8% and 6.9% MoM respectively. US announced new tariffs on USD 18 billion of goods from China, including quadruple tariffs on Chinese electric vehicles (to 100% from the current 25%) to protect US manufacturers. Tariffs were also increased on medical supplies and solar supplies. Locally, the FBMKLCI was up 1.3% in May driven by the return of foreign investors and strong 1Q earnings results. The broader market rallied, with FBM100, FBM Shariah and FBM Small Cap rising 2.3%, 2.5% and 4.1% respectively. Prime Minister Dato' Seri Anwar Ibrahim announced the largest-ever increase in civil servants' remuneration, exceeding 13.0%, to take effect from 1 December 2024. Meanwhile, the Malaysia's Employees Provident Fund (EPF) approved more than RM5.5 billion in the new Account 3 withdrawals, which could support consumer spending. Google announced plans to invest USD 2 billion in Malaysia, developing its first data center and a Google Cloud hub, following Microsoft's USD 2.2 billion announcement to build Malaysia's new cloud and artificial intelligence infrastructure. BNM kept the overnight policy rate (OPR) at 3% at May MPC meeting. Meanwhile, on corporate developments, May saw deals announced for Malaysia Airports and YTL-Ranhill, while ANZ finally exited from AMMB.

Strategy

We are positive on the Malaysian equity market this year as we expect resilient GDP growth of 4%-5%, improving momentum of policy execution on construction and infrastructure projects, rising foreign direct investment (FDI), while valuation and foreign shareholding remains low. Given the positive outlook, we are positive on sectors such as financials, construction, property, new energy and utilities. Additionally, we continue to like the technology sector as the key beneficiary of long-term growth trends such as artificial intelligence (AI), electric vehicles (EVs) and supply chain relocation.

2.7 Distributions

For the financial year under review, the Fund did not declare any income distribution.

2.8 Details of any unit split exercise

The Fund did not carry out any unit split exercise during the financial year under review.

2.9 Significant changes in the state of affairs of the Fund during the financial year

There were significant changes in the state of affairs of the Fund during the financial year, which have been disclosed in the Fund's Semi-Annual Report for the financial period ended 30 November 2023. Please refer to the Fourth Supplemental Master Prospectus dated 15 September 2023 for more details.

2.10 Circumstances that materially affect any interests of the unit holders

There were no circumstances that materially affected any interests of the unit holders during the financial year under review.

2.11 Rebates and soft commissions

It is the policy of the Manager to credit any rebates received into the account of the Fund. Any soft commissions received by investment manager on behalf of the Fund are in the form of research and advisory services that assist in the decision making process relating to the investment of the Fund which are of demonstrable benefit to unit holders of the Fund. Any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund.

During the financial year under review, the Manager received soft commissions from its stockbrokers who have also executed trades for other funds or investments managed by the Manager. The soft commissions were utilised for research and advisory services that assist in the investment decision making process. The soft commissions received were for the benefit of the Fund and there was no churning of trades.

2.12 Cross-trade

During the financial year under review, no cross-trade transactions were undertaken by the Manager for the Fund.

2.13 Securities financing transactions

Securities financing transactions are transactions consisting of securities lending or repurchase. During the financial year under review, the Fund had not undertaken any securities financing transactions.

3. FUND PERFORMANCE

3.1 Details of portfolio composition of the Fund for the last three financial years as at 31 May are as follows:

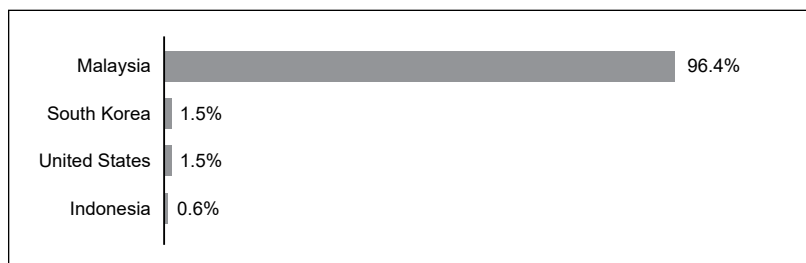
a. Distribution among industry sectors and category of investments:

	FY 2024 %	FY 2023 %	FY 2022 %
Industrial Products and Services	20.0	15.0	17.8
Financial Service	13.3	17.2	18.1
Technology	13.1	14.4	15.1
Utilities	10.5	3.2	1.0
Construction	8.8	5.6	3.4
Property	7.0	1.6	2.2
Healthcare	5.9	2.5	2.5
Energy	5.0	5.7	3.9
Telecommunications and Media	3.9	5.6	4.1
Consumer Products and Services	3.8	12.7	9.8
Transportation and Logistics	1.4	1.8	
Trading/Service	-		
Plantation	0.3	1.4	4.7
Real Estate Investments Trusts	1.6	2.9	2.9
Exchange-traded Funds	-	1.8	
Unlisted options	0.7	1.0	3.3
Short term deposits and cash	4.7	7.6	11.2
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Note: The above mentioned percentages are based on total investment market value plus cash.

b. Distribution among markets

As at 31 May 2024, the Fund had invested in the following markets:



3.2 Performance details of the Fund for the last three financial years ended 31 May are as follows:

	FY 2024	FY 2023	FY 2022
Net asset value ("NAV") (RM Million)	1,522.46	1,156.61	1,244.39
Units in circulation (Million)	1,061.55	1,112.28	1,115.98
NAV per unit (RM)	1.4342	1.0399	1.1151
Highest NAV per unit (RM)	1.4671	1.1319	1.3698
Lowest NAV per unit (RM)	1.0323	1.0098	1.0738
Total return (%)	37.92	-6.74	-3.32
- Capital growth (%)	37.92	-6.74	-9.27
- Income growth (%)	-	-	5.94
Gross distribution per unit (sen)	-	-	7.50
Net distribution per unit (sen)	-	-	7.50
Total expense ratio ("TER") (%) ¹	1.57	1.57	1.58
Portfolio turnover ratio ("PTR") (times) ²	0.46	0.37	0.53

Note: Total return is the actual return of the Fund for the respective financial years, computed based on NAV per unit and net of all fees.

TER is computed based on the total fees and recovered expenses incurred by the Fund divided by the average fund size calculated on a daily basis. PTR is computed based on the average of the total acquisitions and total disposals of investments securities of the Fund divided by the average fund size calculated on a daily basis.

- 1. TER for the financial year under review remain unchange as compared against the previous financial year.*
- 2. PTR is higher during the financial year under review due to higher trading activity.*

3.3 Average total return of the Fund

	1 Year 31 May 23 - 31 May 24	3 Years 31 May 21 - 31 May 24	5 Years 31 May 19 - 31 May 24
KGF	37.92%	7.85%	10.06%
FBM-KLCI	15.11%	0.98%	0.08%

Source: Lipper

3.4 Annual total return of the Fund

	Year under review 31 May 23 - 31 May 24	1 Year			
		31 May 22 - 31 May 23	31 May 21 - 31 May 22	31 May 20 - 31 May 21	31 May 19 - 31 May 20
KGF	37.92%	-6.74%	-3.32%	26.90%	-1.25%
FBM-KLCI	15.11%	-11.65%	-0.85%	7.49%	-10.75%

Source: Lipper

Investors are reminded that past performance is not necessarily indicative of future performance. Unit prices and investment returns may fluctuate.

KENANGA GROWTH FUND

**Audited Financial Statements Together with
Statement by the Manager, Independent
Auditors' Report and Trustee's Report**

31 May 2024

KENANGA GROWTH FUND

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**TRUSTEE'S REPORT
TO THE UNIT HOLDERS OF KENANGA GROWTH FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 May 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Kenanga Investors 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.

For and on behalf of
CIMB Commerce Trustee Berhad

Datin Ezreen Eliza binti Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia

29 July 2024

Independent auditors' report to the unit holders of Kenanga Growth Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Kenanga Growth Fund (the "Fund"), which comprise the statement of financial position as at 31 May 2024, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 47.

In our opinion, the accompanying financial statements, give a true and fair view of the financial position of the Fund as at 31 May 2024, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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 audit 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 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 (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, 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.

Independent auditors' report to the unit holders of Kenanga Growth Fund (contd.)

Information other than the financial statements and auditors' report thereon (contd.)

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 and the Trustee for the financial statements

The Manager is responsible for the preparation of 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 cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

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.

Independent auditors' report to the unit holders of Kenanga Growth Fund (contd.)

Auditors' responsibilities for the audit of the financial statements (contd.)

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:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- 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.
- 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.

**Independent auditors' report to the unit holders of
Kenanga Growth Fund (contd.)**

Other matters

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Ahmad Siddiq Bin Ahmad Hasbullah
No.03675/07/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
29 July 2024

STATEMENT BY THE MANAGER

I, Datuk Wira Ismitz Matthew De Alwis, being a director of Kenanga Investors Berhad, do hereby state that, in the opinion of the Manager, the accompanying statement of financial position as at 31 May 2024 and the related statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial year ended 31 May 2024 together with notes thereto, are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of Kenanga Growth Fund as at 31 May 2024 and of its financial performance and cash flows for the financial year then ended and comply with the requirements of the Deed.

For and on behalf of the Manager
KENANGA INVESTORS BERHAD

DATUK WIRA ISMITZ MATTHEW DE ALWIS
Executive Director/Chief Executive Officer

Kuala Lumpur, Malaysia

29 July 2024

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MAY 2024**

	Note	2024 RM	2023 RM
INVESTMENT INCOME			
Dividend income		33,659,339	34,109,469
Interest income		1,689,777	3,517,921
Net gain/(loss) from investments:			
- Financial assets at fair value through profit or loss ("FVTPL")	4	417,918,678	(96,857,240)
Net loss from foreign currency exchange		(141,576)	(163,397)
Other income		16,389	-
		<u>453,142,607</u>	<u>(59,393,247)</u>
EXPENSES			
Manager's fee	5	19,418,675	18,065,174
Trustee's fee	6	647,289	602,173
Auditors' remuneration		39,500	18,000
Tax agent's fee		10,629	5,200
Administration expenses		171,602	201,129
Brokerage and other transaction costs		6,607,502	4,966,862
		<u>26,895,197</u>	<u>23,858,538</u>
NET INCOME/(LOSS) BEFORE TAX		426,247,410	(83,251,785)
Income tax	7	<u>(197,376)</u>	<u>(215)</u>
NET INCOME/(LOSS) AFTER TAX, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		<u>426,050,034</u>	<u>(83,252,000)</u>
Net income/(loss) after tax is made up as follows:			
Realised gain		26,643,476	1,030,976
Unrealised gain/(loss)	4	<u>399,406,558</u>	<u>(84,282,976)</u>
		<u>426,050,034</u>	<u>(83,252,000)</u>

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2024**

	Note	2024 RM	2023 RM
ASSETS			
INVESTMENTS			
Financial assets at FVTPL	4	1,461,367,991	1,069,659,211
Short term deposits	8	53,555,000	84,530,000
		<u>1,514,922,991</u>	<u>1,154,189,211</u>
OTHER ASSETS			
Amount due from licensed financial institutions	9	6,078,329	2,599,708
Other receivables	10	262,381	1,396,474
Tax recoverable		19,047	16,672
Cash at bank		18,982,814	3,634,083
		<u>25,342,571</u>	<u>7,646,937</u>
TOTAL ASSETS		<u>1,540,265,562</u>	<u>1,161,836,148</u>
LIABILITIES			
Amount due to Manager		1,062,439	1,265,457
Amount due to Trustee		63,866	49,771
Amount due to licensed financial institutions	9	16,527,894	3,775,870
Other payables	11	153,094	136,517
TOTAL LIABILITIES		<u>17,807,293</u>	<u>5,227,615</u>
EQUITY			
Unit holders' contribution		1,079,215,087	1,139,415,385
Retained earnings		443,243,182	17,193,148
NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS	12	<u>1,522,458,269</u>	<u>1,156,608,533</u>
TOTAL LIABILITIES AND EQUITY		<u>1,540,265,562</u>	<u>1,161,836,148</u>
NUMBER OF UNITS IN CIRCULATION	12(a)	<u>1,061,547,814</u>	<u>1,112,282,745</u>
NAV PER UNIT (RM)		<u>1.4342</u>	<u>1.0399</u>

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL YEAR ENDED 31 MAY 2024**

	Note	Unit holders' contribution RM	Retained earnings RM	Total NAV RM
2024				
At beginning of the financial year		1,139,415,385	17,193,148	1,156,608,533
Total comprehensive income		-	426,050,034	426,050,034
Creation of units	12(a)	49,903,024	-	49,903,024
Cancellation of units	12(a)	(110,103,322)	-	(110,103,322)
At end of the financial year		<u>1,079,215,087</u>	<u>443,243,182</u>	<u>1,522,458,269</u>
2023				
At beginning of the financial year		1,143,944,308	100,445,148	1,244,389,456
Total comprehensive loss		-	(83,252,000)	(83,252,000)
Creation of units	12(a)	43,546,801	-	43,546,801
Cancellation of units	12(a)	(48,075,724)	-	(48,075,724)
At end of the financial year		<u>1,139,415,385</u>	<u>17,193,148</u>	<u>1,156,608,533</u>

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2024**

	2024	2023
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of financial assets at FVTPL	606,849,924	416,232,295
Dividends received	34,587,481	35,658,492
Interest from deposits received	1,698,352	3,512,461
Other income received	16,389	-
Tax agent's fee paid	(8,129)	-
Auditors' remuneration paid	(25,000)	(23,000)
Payment for other fees and expenses	(172,025)	(233,320)
Trustee's fee paid	(633,194)	(657,035)
Manager's fee paid	(18,995,811)	(18,139,207)
Purchase of financial asset at FVTPL	(577,974,125)	(482,026,513)
Cash generated from/(used in) operating and investing activities	45,343,862	(45,675,827)
Income tax paid	(2,375)	(215)
Net cash generated from/(used in) operating and investing activities	<u>45,341,487</u>	<u>(45,676,042)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	49,277,142	43,444,684
Cash paid on units cancelled	(110,103,322)	(48,103,938)
Net cash used in financing activities	<u>(60,826,180)</u>	<u>(4,659,254)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(15,484,693)	(50,335,296)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(141,576)	(163,397)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	<u>88,164,083</u>	<u>138,662,776</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>72,537,814</u>	<u>88,164,083</u>
Cash and cash equivalents comprise:		
Cash at bank	18,982,814	3,634,083
Short term deposits	53,555,000	84,530,000
	<u>72,537,814</u>	<u>88,164,083</u>

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Kenanga Growth Fund (the “Fund”) was constituted pursuant to the executed Deed dated 30 December 1999 (collectively, together with deeds supplemental thereto, referred to as the “Deed”) between the Manager, Kenanga Investors Berhad, and HSBC (Malaysia) Trustee Berhad (the “Trustee” prior to 3 December 2013). The Fund had changed its trustee to CIMB Commerce Trustee Berhad (the “Trustee” with effect from 3 December 2013). The aforesaid change was effected on 3 December 2013 via a Second Master Supplemental Deed dated 19 November 2013. The Fund commenced operations on 17 January 2000 and will continue to be in operation until terminated by the Trustee, as provided under Clause 12 of the Deed.

Kenanga Investors Berhad is a wholly-owned subsidiary of Kenanga Investment Bank Berhad that is listed on the Main Market of Bursa Malaysia Securities Berhad. All of these companies are incorporated in Malaysia.

The principal place of business of the Manager is Level 14, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur.

The Fund seeks to provide unit holders with long-term capital growth.

The financial statements were authorised for issue by the Chief Executive Officer of the Manager on 29 July 2024.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk, price risk and currency risk), credit risk and liquidity risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund has an approved set of investment guidelines and policies as well as internal controls which sets out its overall business strategies to manage these risks to optimise returns and preserve capital for the unit holders, consistent with the long term objectives of the Fund.

a. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk, price risk and currency risk.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

Market risk arises when the value of the investments fluctuates in response to the activities of individual companies, general market or economic conditions. It stems from the fact that there are economy-wide perils, which threaten all businesses. Hence, investors are exposed to market uncertainties. Fluctuation in the investments' prices caused by uncertainties in the economic, political and social environment will affect the NAV of the Fund.

The Manager manages the risk of unfavourable changes in prices by cautious review of the investments and continuous monitoring of their performance and risk profiles.

i. Interest rate risk

Interest rate risk refers to how the changes in the interest rate environment would affect the performance of Fund's investments. Rate offered by the financial institutions will fluctuate according to the Overnight Policy Rate determined by Bank Negara Malaysia and this has direct correlation with the Fund's investments in deposits.

The Fund is not exposed to significant interest rate risk as its deposits are short term in nature and have fixed interest rates.

Interest rate risk exposure

The following table analyses the Fund's interest rate risk exposure. The Fund's financial assets and financial liabilities are disclosed at fair value and categorised by the earlier of contractual re-pricing or maturity dates.

	Up to 1 year RM	Non-interest sensitive RM	Total RM	Weighted average effective interest rate* %
2024				
Assets				
Financial assets at				
FVTPL	-	1,461,367,991	1,461,367,991	
Short term deposit	53,555,000	-	53,555,000	3.1
Other financial				
assets	-	25,342,571	25,342,571	
	<u>53,555,000</u>	<u>1,486,710,562</u>	<u>1,540,265,562</u>	

* Calculated based on assets with exposure to interest rate movement only.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

i. Interest rate risk (contd.)

Interest rate risk exposure (contd.)

	Up to 1 year RM	Non-interest sensitive RM	Total RM	Weighted average effective interest rate* %
2024 (contd.)				
Liabilities				
Other financial liabilities	-	17,654,199	17,654,199	
Total interest rate sensitivity gap	53,555,000	1,469,056,363	1,522,611,363	
2023				
Assets				
Financial assets at FVTPL	-	1,069,659,211	1,069,659,211	
Short term deposits	84,530,000	-	84,530,000	3.0
Other financial assets	-	7,646,937	7,646,937	
	<u>84,530,000</u>	<u>1,077,306,148</u>	<u>1,161,836,148</u>	
Liabilities				
Other financial liabilities	-	5,091,098	5,091,098	
Total interest rate sensitivity gap	84,530,000	1,072,215,050	1,156,745,050	

* Calculated based on assets with exposure to interest rate movement only.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

ii. Price risk

Price risk is the risk of unfavourable changes in the fair values of listed equity securities and listed collective investment schemes. The Fund invests in listed equity securities and listed collective investment schemes which are exposed to price fluctuations. This may then affect the NAV per unit of the Fund.

Price risk sensitivity

The Manager's best estimate of the effect on the income/(loss) for the financial year due to a reasonably possible change in investments in listed equity securities and listed collective investment schemes with all other variables held constant is indicated in the table below:

	Changes in price Increase/(Decrease) Basis points	Effects on income/(loss) for the financial year Gain/(Loss) RM
2024		
Financial assets at FVTPL	<u>5/(5)</u>	<u>725,363/(725,363)</u>
2023		
Financial assets at FVTPL	<u>5/(5)</u>	<u>529,038/(529,038)</u>

In practice, the actual trading results may differ from the sensitivity analysis above and the difference could be material.

Price risk concentration

The following table sets out the Fund's exposure and concentration to price risk based on its portfolio of financial instruments as at the reporting date.

	Fair value 2024 RM	2023 RM	Percentage of NAV 2024 %	2023 %
Financial assets at FVTPL	<u>1,450,725,482</u>	<u>1,058,076,211</u>	<u>95.3</u>	<u>91.5</u>

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

ii. Price risk (contd.)

Price risk concentration (contd.)

The Fund's concentration of price risk from the Fund's listed equity securities and listed collective investment schemes analysed by sector is as follows:

	Fair value		Percentage of NAV	
	2024 RM	2023 RM	2024 %	2023 %
Industrial Products and Services	307,450,639	173,693,155	20.1	15.0
Financial Services	204,033,812	199,625,359	13.3	17.3
Technology	200,932,045	166,231,902	13.1	14.4
Utilities	160,935,139	37,355,411	10.6	3.2
Construction	135,377,466	64,143,795	8.9	5.6
Property	106,918,543	18,383,205	7.2	1.6
Health Care	90,749,347	29,366,263	6.0	2.5
Energy	76,102,153	65,444,383	5.0	5.7
Telecommunications and Media	59,290,497	64,789,874	3.9	5.6
Consumer Products and Services	58,901,556	147,028,162	3.9	12.7
Transportation and Logistics	22,073,758	21,238,756	1.4	1.8
Plantation	3,962,280	16,513,672	0.3	1.4
Exchange-traded Funds	-	20,237,300	-	1.8
Real Estate Investment Trust	23,998,247	34,024,974	1.6	2.9
	<u>1,450,725,482</u>	<u>1,058,076,211</u>	<u>95.3</u>	<u>91.5</u>

iii. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investment face currency loss in addition to capital gain/(loss). This will lead to lower NAV of the Fund.

The Manager may consider managing the currency risk using currency hedging. However, this would be subject to the current market outlook on the currency exposure risk as well.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

a. Market risk (contd.)

iii. Currency risk sensitivity

The following table indicates the currencies to which the Fund had significant exposure at the reporting date on its financial assets and financial liabilities. The analysis calculates the effect of a reasonably possible movement of the currency rate against Ringgit Malaysia on income with all other variables held constant.

	Changes in currency rate Increase/(Decrease) Basis points	Effects on income/(loss) for the financial year Gain/(Loss) RM
2024		
USD/MYR	5/(5)	12,906/(12,906)
KRW/MYR	5/(5)	10,890/(10,890)
HKD/MYR	5/(5)	7,270/(7,270)
IDR/MYR	5/(5)	4,457/(4,457)
SGD/MYR	5/(5)	208/(208)
	<hr/>	<hr/>
2023		
HKD/MYR	5/(5)	17,478/(17,478)
USD/MYR	5/(5)	1,216/(1,216)
SGD/MYR	5/(5)	81/(81)
	<hr/>	<hr/>

In practice, the actual trading results may differ from the sensitivity analysis above and the difference could be material.

Currency risk concentration

The following table sets out the Fund's exposure to foreign currency exchange rates on its financial assets and financial liabilities as at reporting date.

	Fair value		Percentage of NAV	
	2024 RM	2023 RM	2024 %	2023 %
USD	25,811,855	2,432,667	1.7	0.2
KRW	21,780,254	-	1.4	-
HKD	14,540,509	34,955,757	1.0	3.0
IDR	8,913,520	-	0.6	-
SGD	415,652	162,082	*	*
	<hr/> 71,461,790	<hr/> 37,550,507	<hr/> 4.7	<hr/> 3.2

* Denotes >0.0% but less than 0.1%.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

b. Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

i. Credit risk exposure

As at the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statement of financial position.

ii. Financial assets that are either past due or impaired

As at the reporting date, there are no financial assets that are either past due or impaired.

iii. Credit quality of financial assets

The following table analyses the Fund's portfolio of unlisted options by rating category:

Unlisted options

	Percentage of total unlisted options		Percentage of NAV	
	2024 %	2023 %	2024 %	2023 %
Rating				
Not rated	100.0	100.0	0.7	1.0

The Fund invests in deposits with financial institutions licensed under the Financial Services Act 2013 and Islamic Financial Services Act 2013. The following table analyses the licensed financial institutions by rating category:

Short term deposits

	Percentage of total short term deposits		Percentage of NAV	
	2024 %	2023 %	2024 %	2023 %
Rating				
P1/MARC-1	100.0	100.0	3.5	7.3

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

b. Credit risk (contd.)

iv. Credit risk concentration

Concentration risk is monitored and managed based on sectoral distribution. The table below analyses the Fund's portfolio of unlisted options by sectoral distribution:

	Percentage of total unlisted options		Percentage of NAV	
	2024 %	2023 %	2024 %	2023 %
Property	100.0	100.0	0.7	1.0

c. Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are to be settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or cancel its units earlier than expected. The Fund is exposed to cancellation of its units on a regular basis. Units sold to unit holders by the Manager are cancellable at the unit holders' option based on the Fund's NAV per unit at the time of cancellation calculated in accordance with the Deed.

The liquid assets comprise cash at bank, short term deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

The following table analyses the maturity profile of the Fund's financial assets and financial liabilities in order to provide a complete view of the Fund's contractual commitments and liquidity.

	Note	No maturity RM	Up to 1 year RM	Total RM
2024				
Assets				
Financial assets at FVTPL		-	1,461,367,991	1,461,367,991
Short term deposits		-	53,555,000	53,555,000
Cash at bank		18,982,814	-	18,982,814
Other financial assets		-	6,359,757	6,359,757
	i.	<u>18,982,814</u>	<u>1,521,282,748</u>	<u>1,540,265,562</u>
Liabilities				
Other financial liabilities	ii.	<u>-</u>	<u>17,654,199</u>	<u>17,654,199</u>
Equity	iii.	<u>-</u>	<u>1,522,458,269</u>	<u>1,522,458,269</u>
Liquidity gap		<u>18,982,814</u>	<u>(18,829,720)</u>	<u>153,094</u>

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

c. Liquidity risk (contd.)

	Note	No maturity RM	Up to 1 year RM	Total RM
2023				
Assets				
Financial assets at FVTPL		-	1,069,659,211	1,069,659,211
Short term deposits		-	84,530,000	84,530,000
Cash at bank		3,634,083	-	3,634,083
Other financial assets		-	4,012,854	4,012,854
	i.	<u>3,634,083</u>	<u>1,158,202,065</u>	<u>1,161,836,148</u>
Liabilities				
Other financial liabilities	ii.	<u>-</u>	<u>5,091,098</u>	<u>5,091,098</u>
Equity	iii.	<u>-</u>	<u>1,156,608,533</u>	<u>1,156,608,533</u>
Liquidity gap		<u>3,634,083</u>	<u>(3,497,566)</u>	<u>136,517</u>

i. Financial assets

Analysis of financial assets at FVTPL into maturity groupings is based on the expected date on which these assets will be realised. The Fund's investments in listed equity securities, listed collective investment scheme and unlisted options have been included in the "up to 1 year" category on the assumption that these are highly liquid investments which can be realised should all of the Fund's unit holders' equity be required to be redeemed. The unlisted options is also expected to be realised within a year. For other financial assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting year to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

ii. Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the date on which liabilities will be settled. When the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

iii. Equity

As the unit holders can request for redemption of their units, they have been categorised as having a maturity of "up to 1 year".

d. Regulatory reportings

It is the Manager's responsibility to ensure full compliance of all requirements under the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia. Any breach of any such requirement has been reported in the mandatory reporting to the Securities Commission Malaysia on a monthly basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION

a. Basis of accounting

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) as issued by the Malaysian Accounting Standards Board (“MASB”) and International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the MFRS and amended MFRS, which became effective for the Fund on 1 June 2023.

Description	Effective for financial periods beginning on or after
MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17: <i>Initial Application of MFRS 17 and MFRS 9 — Comparative Information</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112: <i>International Tax Reform — Pillar Two Model Rules</i>	1 January 2023

The adoption of the MFRS and amended MFRS did not have any material impact on the financial position or performance of the Fund.

b. Amendments to standards issued but not yet effective

As at the reporting date, the following amendments to standards that have been issued by MASB will be effective for the Fund in future financial periods. The Fund intends to adopt the relevant amendments to standards when they become effective.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

b. Amendments to standards issued but not yet effective (contd.)

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be announced by MASB

These pronouncements are not expected to have any material impact to the financial statements of the Fund upon their initial application.

c. Financial instruments

Financial assets and liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments.

i. Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Notes 3(c)(ii) and (iii).

ii. Measurement categories of financial assets and liabilities

The Fund classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost;
- Fair value through other comprehensive income; and
- Fair value through profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

ii. Measurement categories of financial assets and liabilities (contd.)

The Fund may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial assets are initially measured at their fair values plus, except in the case of financial assets recorded at FVTPL, transaction costs.

The Fund's other financial assets include cash at banks, short term deposits, trade receivables and other receivables.

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

The Fund's other financial liabilities include trade payables and other payables.

Other financial liabilities are recognised and initially measured at fair values, net of directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate ("EIR"). Gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

iii. Due from banks, short term deposits, trade receivables and other receivables at amortised cost

The Fund only measures the cash at banks, short term deposits, trade receivables and other receivables at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The details of these conditions are outlined below.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

iii. Due from banks, short term deposits, trade receivables and other receivables at amortised cost (contd.)

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected); and
- The expected frequency, value and timing of sales are also important aspects of the Fund's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward, unless it has been determined that there has been a change in the original business model.

The SPPI test

As a second step of its classification process, the Fund assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation/accretion of the premium/discount).

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

iii. Due from banks, short term deposits, trade receivables and other receivables at amortised cost (contd.)

The SPPI test (contd.)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

iv. Financial investments

Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition, or are mandatorily required to be measured at fair value under MFRS 9. This category includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

d. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Fund also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Fund has transferred the financial asset if, and only if, either:

- The Fund has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

d. Derecognition of financial assets (contd.)

Pass-through arrangements are transactions whereby the Fund retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Fund has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates;
- The Fund cannot sell or pledge the original asset other than as security to the eventual recipients; and
- The Fund has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Fund is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Fund has transferred substantially all the risks and rewards of the asset; or
- The Fund has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Fund considers control to be transferred if, and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Fund has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Fund's continuing involvement, in which case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Fund could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Fund would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

e. Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis and to realise the assets and settle the liabilities simultaneously.

f. Impairment of financial assets

i. Overview of the expected credit loss (“ECL”) principles

The Fund measures its receivables impairment using the forward-looking ECL approach in accordance with the requirements of MFRS 9.

ii. Write-offs

Financial assets are written off either partially or in their entirety only when the Fund has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

g. Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Interest income is recognised using the effective interest method.

Dividend income is recognised on declared basis, when the right to receive the distribution is established. The income is presented gross of withholding tax which is disclosed separately.

The realised gain or loss on sale of investments is measured as the difference between the net disposal proceeds and the carrying amount of the investments.

h. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash at banks and short term deposits with licensed financial institutions with maturities of three months or less, which have an insignificant risk of changes in value.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

i. Income tax

Income tax on the profit or loss for the financial year comprises current tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year.

As no temporary differences have been identified, no deferred tax has been recognised.

The Fund may also incur withholding taxes on income received on the financial instrument.

j. Unrealised reserves

Unrealised reserves represent the net gain or loss arising from carrying investments at their fair values and unrealised gain or loss from translating foreign currency monetary items at exchange rates prevailing at reporting date. This reserve is not distributable.

k. Unit holders' contribution – NAV attributable to unit holders

The unit holders' contribution to the Fund is classified as equity instruments.

Distribution equalisation represents the average amount of undistributed net income included in the creation or cancellation price of units. This amount is either refunded to unit holders by way of distribution and/or adjusted accordingly when units are released back to the Trustee.

l. Functional and presentation currency

i. Functional and presentation currency

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 also the Fund's functional currency.

ii. Foreign currency transactions

In preparing the financial statements of the Fund, transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. All exchange gain or loss is recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

i. Functional and presentation currency (contd.)

ii. Foreign currency transactions (contd.)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the financial year.

The principal exchange rate for each respective units of foreign currency ruling at reporting date is as follows:

	2024 RM	2023 RM
1 USD	4.7045	4.6105
1,000 KRW	3.3958	3.4762
1 HKD	0.6014	0.5887
1,000 IDR	0.2894	0.3073
1 SGD	3.4812	3.4007

m. Distributions

Distributions are at the discretion of the Manager. A distribution to the Fund's unit holders is accounted for as a deduction from retained earnings.

n. Significant accounting judgement and estimates

In the process of applying the Fund's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Funds's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the financial statements with substantial management judgement and/or estimates are collated below with respect to judgements/estimates involved.

Where the financial instruments are not traded in an active market, fair value may be established by using a valuation technique which includes but is not limited to using option prices, benchmarking to recent arm's length transactions between knowledgeable willing parties, and reference to the current fair value of another instrument that is substantially the same. The Fund uses valuation techniques which involves making assumptions based on market conditions and other factors as of reporting date.

4. FINANCIAL ASSETS AT FVTPL

	2024 RM	2023 RM
Financial assets held for trading, at FVTPL:		
Listed equity securities in Malaysia	1,374,234,455	990,113,758
Listed equity securities in United States	21,799,006	-
Listed equity security in South Korea	21,780,254	-
Listed equity security in Indonesia	8,913,520	-
Listed equity security in Hong Kong	-	13,700,179
Listed collective investment scheme in Malaysia	23,998,247	34,024,974
Listed collective investment schemes in Hong Kong	-	20,237,300
Unlisted options in Malaysia	10,642,509	11,583,000
	<u>1,461,367,991</u>	<u>1,069,659,211</u>
Net gain/(loss) on financial assets at FVTPL comprised:		
Realised gain/(loss) on disposals	18,328,155	(12,440,772)
Unrealised changes in fair values	399,590,523	(84,416,468)
	<u>417,918,678</u>	<u>(96,857,240)</u>

Details of financial assets at FVTPL as at 31 May 2024:

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity securities in Malaysia				
Industrial Products and Services				
Ancom Nylex Berhad	32,674,600	26,756,711	33,654,838	2.2
APB Resources Berhad	5,042,810	10,395,661	9,077,058	0.6
Aurelius Technologies Berhad	7,352,000	19,116,877	25,952,560	1.7
Feytech Holdings Berhad	6,981,500	7,866,247	7,889,095	0.5
Kelington Group Berhad	22,211,700	16,073,114	69,966,855	4.6
Kinergy Advancement Berhad	43,251,200	13,976,913	15,786,688	1.0
Nationgate Holdings Berhad	15,443,200	18,462,424	28,569,920	1.9
Pekat Group Berhad	10,227,700	4,817,841	8,182,160	0.5
Press Metal Aluminium Holdings Berhad	798,000	3,891,799	4,468,800	0.3
Sarawak Consolidated Industries Berhad	7,903,500	4,127,291	1,936,357	0.1
Solarvest Holdings Berhad	7,382,500	9,165,077	11,885,825	0.8

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 May 2024 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity securities in Malaysia (contd.)				
Industrial Products and Services (contd.)				
Sunview Group Berhad	5,022,300	3,428,352	3,264,495	0.2
Sunway Berhad	24,804,568	41,304,888	86,815,988	5.7
		<u>179,383,195</u>	<u>307,450,639</u>	<u>20.1</u>
Financial Services				
AMMB Holdings Berhad	7,170,500	28,111,159	30,474,625	2.0
CIMB Group Holdings Berhad	7,812,471	41,393,259	53,437,302	3.5
Hong Leong Financial Group Berhad	1,533,300	26,944,131	26,096,766	1.7
Malayan Banking Berhad	2,500,010	21,474,071	24,825,099	1.6
Public Bank Berhad	7,875,000	34,867,920	32,287,500	2.1
RHB Bank Berhad	5,100,000	27,621,543	27,999,000	1.8
		<u>180,412,083</u>	<u>195,120,292</u>	<u>12.7</u>
Technology				
Frontken Corporation Berhad	21,369,300	36,327,583	90,819,525	6.0
Greatech Technology Berhad	8,104,700	26,393,876	41,009,782	2.7
Inari Amertron Berhad	2,100,000	6,459,545	6,825,000	0.4
My E.G. Services Berhad	21,088,300	18,504,403	23,197,130	1.5
Pentamaster Corporation Berhad	2,170,200	9,747,859	10,525,470	0.7
		<u>97,433,266</u>	<u>172,376,907</u>	<u>11.3</u>
Utilities				
Tenaga Nasional Berhad	3,373,100	36,392,059	43,985,224	2.9
YTL Corporation Berhad	14,015,000	21,547,129	50,313,850	3.3
YTL Power International Berhad	13,571,500	20,411,501	66,636,065	4.4
		<u>78,350,689</u>	<u>160,935,139</u>	<u>10.6</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 May 2024 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity securities in Malaysia (contd.)				
Construction				
Gamuda Berhad	8,013,600	34,912,258	48,642,552	3.2
IJM Corporation Berhad	8,406,600	16,083,049	23,118,150	1.5
Kerjaya Prospek Group Berhad	15,498,800	18,311,749	28,517,792	1.9
MGB Berhad	12,696,400	11,821,501	11,172,832	0.7
Sunway Construction Group Berhad	7,595,600	14,463,160	23,926,140	1.6
		<u>95,591,717</u>	<u>135,377,466</u>	<u>8.9</u>
Property				
Eco World Development Group Berhad	10,948,000	11,526,616	16,531,480	1.1
IOI Properties Group Berhad	7,225,800	14,000,730	18,209,016	1.2
Iskandar Waterfront City Berhad	2,536,500	1,968,070	1,902,375	0.1
LBS Bina Group Berhad - ordinary shares	23,734,400	18,178,232	16,139,392	1.1
LBS Bina Group Berhad - preference shares	2,732,120	3,005,332	2,445,247	0.2
Mah Sing Group Berhad	17,958,600	19,284,319	26,937,900	1.8
S P Setia Berhad	3,802,100	5,399,170	5,513,045	0.4
Sime Darby Property Berhad	15,516,200	10,526,699	19,240,088	1.3
		<u>83,889,168</u>	<u>106,918,543</u>	<u>7.2</u>
Health Care				
Alpha IVF Group Berhad	14,103,500	4,513,120	4,442,603	0.3
IHH Healthcare Berhad	4,124,800	26,752,351	25,532,512	1.7
Kossan Rubber Industries Berhad	8,165,100	12,459,701	18,126,522	1.2
KPJ Healthcare Berhad	14,574,700	17,790,141	27,691,930	1.8
Top Glove Corporation Berhad	14,243,600	12,214,022	14,955,780	1.0
		<u>73,729,335</u>	<u>90,749,347</u>	<u>6.0</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 May 2024 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity securities in Malaysia (contd.)				
Energy				
Dayang Enterprise Holdings Berhad	4,079,500	7,038,384	10,769,880	0.7
Dialog Group Berhad	3,157,000	7,726,989	7,545,230	0.5
Keyfield International Berhad	2,635,100	4,666,936	6,350,591	0.4
T7 Global Berhad	34,584,800	13,526,972	17,811,172	1.2
Velesto Energy Berhad	17,432,000	4,450,148	4,619,480	0.3
Yinson Holdings Berhad	12,502,500	25,595,743	29,005,800	1.9
		<u>63,005,172</u>	<u>76,102,153</u>	<u>5.0</u>
Telecommunications and Media				
Axiata Group Berhad	3,303,600	8,747,814	9,250,080	0.6
Seni Jaya Corporation Berhad	15,504,000	7,689,984	4,806,240	0.3
Telekom Malaysia Berhad	5,923,700	34,247,584	36,786,177	2.4
TIME dotCom Berhad	1,600,000	8,266,310	8,448,000	0.6
		<u>58,951,692</u>	<u>59,290,497</u>	<u>3.9</u>
Consumer Products and Services				
Bonia Corporation Berhad	2,851,900	5,835,065	4,876,749	0.3
CCK Consolidated Holdings Berhad	4,174,500	2,511,001	5,969,535	0.4
DXN Holdings Berhad	1,550,000	1,085,000	984,250	0.1
Perak Transit Berhad	2,000,000	1,250,865	1,410,000	0.1
QL Resouces Berhad	4,863,000	14,847,467	30,636,900	2.0
		<u>25,529,398</u>	<u>43,877,434</u>	<u>2.9</u>
Transportation and Logistics				
Malaysia Airports Holdings Berhad	2,220,700	15,874,177	22,073,758	1.4

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 May 2024 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity securities in Malaysia (contd.)				
Plantation				
Hap Seng Plantations Holdings Berhad	2,226,000	6,442,940	3,962,280	0.3
Total listed equity securities in Malaysia		958,592,832	1,374,234,455	90.3
Listed equity securities in United States				
Consumer Products and Services				
Amazon.com Inc	18,100	11,686,330	15,024,122	1.0
Technology				
Microsoft Corporation	3,469	5,552,391	6,774,884	0.4
Total listed equity securities in United States		17,238,721	21,799,006	1.4
Listed equity security in South Korea				
Technology				
SK Hynix Inc.	33,900	15,783,273	21,780,254	1.4
Total listed equity security in South Korea		15,783,273	21,780,254	1.4

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 May 2024 (contd.):

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed equity security in Indonesia				
Financial Service				
Bank Syariah Indonesia Tbk PT	14,000,000	9,501,973	8,913,520	0.6
Total listed equity security in Indonesia		9,501,973	8,913,520	0.6
Listed collective investment scheme in Malaysia				
Real Estate Investment Trust				
IGB Real Estate Investment Trust	13,258,700	22,878,350	23,998,247	1.6
Total listed collective investment scheme in Malaysia		22,878,350	23,998,247	1.6
Unlisted options in Malaysia				
Call/Put - NCT Alliance Berhad maturing on 30/11/2024	24,801,932	10,044,783	10,642,509	0.7
Total unlisted options in Malaysia		10,044,783	10,642,509	0.7
Total financial assets at FVTPL		1,034,039,932	1,461,367,991	96.0
Unrealised gain on financial assets at FVTPL			427,328,059	

5. MANAGER'S FEE

The Manager's fee is calculated on a daily basis at a rate not exceeding 1.50% per annum of the NAV of the Fund as provided under Clause 13.1 of the Deed.

The Manager is currently charging Manager's fee of 1.50% per annum of the NAV of the Fund (2023: 1.50% per annum).

6. TRUSTEE'S FEE

Pursuant to the Third Master Supplemental Deed dated 25 July 2014, the Trustee's fee is calculated at a rate not exceeding 0.05% per annum of the NAV of the Fund effective from 1 August 2014.

The Trustee's fee is currently calculated at 0.05% per annum of the NAV of the Fund (2023: 0.05% per annum).

7. INCOME TAX

	2024	2023
	RM	RM
Current income tax expense:		
- Local withholding tax	171,692	-
- Foreign withholding tax	25,684	295
Over provision in prior financial year tax expense		
- Malaysian tax	-	(80)
	<u>197,376</u>	<u>215</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable income for the current and previous financial year.

Income tax is calculated on investment income less partial deduction for permitted expenses as provided for under Section 63B of the Income Tax Act, 1967.

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempt from tax. Foreign-sourced income ("FSI") received in Malaysia during the transitional period from 1 January 2022 to 30 June 2022 will be taxed at 3% of gross amount received. From 1 July 2022 onwards, FSI received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

7. INCOME TAX (CONTD.)

A reconciliation of income tax expense applicable to net income/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	2024	2023
	RM	RM
Net income/(loss) before tax	<u>426,247,410</u>	<u>(83,251,785)</u>
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	102,299,378	(19,980,428)
Tax effect of:		
- Income not subject to tax	(108,788,204)	(9,030,574)
- Losses not deductible for tax purposes	33,978	23,284,953
- Expenses not deductible for tax purposes	2,223,370	1,790,926
- Restriction on tax deductible expenses for unit trust fund	4,231,478	3,935,123
- Over provision in prior financial year	-	(80)
Foreign withholding tax	25,684	295
Local withholding tax	<u>171,692</u>	<u>-</u>
Income tax for the financial year	<u>197,376</u>	<u>215</u>

8. SHORT TERM DEPOSITS

Short term deposits are held with licensed financial institutions in Malaysia at the prevailing interest rates.

9. AMOUNT DUE FROM/TO LICENSED FINANCIAL INSTITUTIONS

Amount due from/to licensed financial institutions relates to the amount to be received from or paid to licensed financial institutions arising from the sales or purchase of investments.

10. OTHER RECEIVABLES

	2024	2023
	RM	RM
Dividend receivable	257,906	1,383,424
Interest receivable from short term deposits	<u>4,475</u>	<u>13,050</u>
	<u>262,381</u>	<u>1,396,474</u>

11. OTHER PAYABLES

	2024	2023
	RM	RM
Accrual for auditors' remuneration	27,500	13,000
Accrual for tax agent's fees	13,200	10,700
Provision for printing and other expenses	<u>112,394</u>	<u>112,817</u>
	<u>153,094</u>	<u>136,517</u>

12. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS

NAV attributable to unit holders is represented by:

	Note	2024 RM	2023 RM
Unit holders' contribution	(a)	<u>1,079,215,087</u>	<u>1,139,415,385</u>
Retained earnings:			
Realised reserves/(deficits)		15,967,498	(10,675,978)
Unrealised reserves		<u>427,275,684</u>	<u>27,869,126</u>
		<u>443,243,182</u>	<u>17,193,148</u>
		<u>1,522,458,269</u>	<u>1,156,608,533</u>

(a) Unit holders' contribution

	2024		2023	
	No. of units	RM	No. of units	RM
At beginning of the financial year	1,112,282,745	1,139,415,385	1,115,983,739	1,143,944,308
Add: Creation of units	41,624,781	49,903,024	40,724,672	43,546,801
Less:				
Cancellation of units	<u>(92,359,712)</u>	<u>(110,103,322)</u>	<u>(44,425,666)</u>	<u>(48,075,724)</u>
At end of the financial year	<u>1,061,547,814</u>	<u>1,079,215,087</u>	<u>1,112,282,745</u>	<u>1,139,415,385</u>

The Manager, Kenanga Investors Berhad, did not hold any units in the Fund, either legally or beneficially, as at 31 May 2024 (2023: nil). The number of units legally or beneficially held by the other parties related to the Manager were 82,381 units valued at RM118,151 as at 31 May 2024 (2023: 82,381 units valued at RM85,664).

13. PORTFOLIO TURNOVER RATIO ("PTR")

PTR for the financial year is 0.46 times (2023: 0.32 times).

PTR is the ratio of average sum of acquisitions and disposals of investments of the Fund for the financial year to the average NAV of the Fund, calculated on a daily basis.

14. TOTAL EXPENSE RATIO ("TER")

TER for the financial year is 1.57% per annum (2023: 1.57% per annum).

TER is the ratio of total fees and recovered expenses of the Fund expressed as a percentage of the Fund's average NAV, calculated on a daily basis.

15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS

	Transaction value RM	Percentage of total %	Brokerage, stamp duty and clearing fee RM	Percentage of total %
Kenanga Investment Bank Berhad*	409,245,298	34.8	1,112,698	33.2
CGS-CIMB Securities Sdn Bhd	124,808,068	10.6	344,352	10.3
Maybank Investment Bank Berhad	113,726,572	9.7	329,004	9.8
Affin Hwang Investment Bank Berhad	62,267,382	5.3	192,132	5.7
RHB Investment Bank Berhad	58,298,307	5.0	183,837	5.5
Public Investment Bank Berhad	54,410,945	4.6	166,424	5.0
UOB Kay Hian Securities (M) Sdn Bhd	52,004,078	4.4	161,016	4.8
CLSA Securities Malaysia Sdn Bhd	47,610,144	4.0	142,809	4.2
CLSA Limited	43,510,412	3.7	127,834	3.8
CIMB Securities Sdn Bhd	40,235,209	3.4	108,075	3.2
Others	171,183,724	14.5	484,873	14.5
	<u>1,177,300,139</u>	<u>100.0</u>	<u>3,353,054</u>	<u>100.0</u>

* Kenanga Investment Bank Berhad is a related party of Kenanga Investors Berhad.

The above transactions values are in respect of listed equity securities, listed collective investment schemes and unlisted options. Transactions in unlisted options do not involve any commission or brokerage fees.

The directors of the Manager are of the opinion that the transactions with the related party have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The Manager is of the opinion that the above dealings have been transacted on an arm's length basis.

16. SEGMENTAL REPORTING

a. Business segments

In accordance with the objective of the Fund, the Fund can invest between 75% to 95% of its NAV in equity and equity-related securities and between 5% to 25% of its NAV in liquid assets. The following table provides an analysis of the Fund's revenue, results, assets and liabilities by business segments:

	Listed investment securities RM	Unlisted investment security RM	Other investments RM	Total RM
2024				
Revenue				
Segment				
income/(loss)	451,628,291	(50,274)	1,706,166	
Segment expenses	(6,255,935)	(351,567)	-	
Net segment				
income/(loss)				
representing				
segment results	<u>445,372,356</u>	<u>(401,841)</u>	<u>1,706,166</u>	446,676,681
Unallocated loss on				
foreign currency				
exposure				<u>(141,576)</u>
				446,535,105
Unallocated				
expenditure				<u>(20,287,695)</u>
Income before tax				426,247,410
Income tax				<u>(197,376)</u>
Net income after tax				<u>426,050,034</u>
Assets				
Financial assets at				
FVTPL	1,450,725,482	10,642,509	-	
Short term deposit	-	-	53,555,000	
Other segment				
assets	<u>257,906</u>	<u>-</u>	<u>4,475</u>	
Total segment				
assets	<u>1,450,983,388</u>	<u>10,642,509</u>	<u>53,559,475</u>	1,515,185,372
Unallocated assets				<u>25,080,190</u>
				<u>1,540,265,562</u>
Liabilities				
Segment liabilities	<u>16,527,894</u>	<u>-</u>	<u>-</u>	16,527,894
Unallocated				
liabilities				<u>1,279,399</u>
				<u>17,807,293</u>

16. SEGMENTAL REPORTING (CONTD.)

a. Business segments (contd.)

	Listed investment securities RM	Unlisted investment security RM	Other investments RM	Total RM
2023				
Revenue				
Segment				
(loss)/income	(61,201,082)	(1,546,689)	3,517,921	
Segment expenses	<u>(4,967,156)</u>	<u>-</u>	<u>-</u>	
Net segment (loss)/income representing segment results	<u>(66,168,238)</u>	<u>(1,546,689)</u>	<u>3,517,921</u>	(64,197,006)
Unallocated loss on foreign currency exposure				<u>(163,397)</u>
				(64,360,403)
Unallocated expenditure				<u>(18,891,382)</u>
Loss before tax				(83,251,785)
Income tax				<u>(215)</u>
Net loss after tax				<u>(83,252,000)</u>
Assets				
Financial assets at FVTPL	1,058,076,211	11,583,000	-	
Short term deposits	-	-	84,530,000	
Other segment assets	<u>3,983,132</u>	<u>-</u>	<u>13,050</u>	
Total segment assets	<u>1,062,059,343</u>	<u>11,583,000</u>	<u>84,543,050</u>	1,158,185,393
Unallocated assets				<u>3,650,755</u>
				<u>1,161,836,148</u>
Liabilities				
Segment liabilities	<u>3,775,870</u>	<u>-</u>	<u>-</u>	3,775,870
Unallocated liabilities				<u>1,451,745</u>
				<u>5,227,615</u>

16. SEGMENTAL REPORTING (CONTD.)

b. Geographical segments

The Fund seeks to achieve its investment objective by investing in a diversified portfolio of local and foreign equity and equity-related securities. The following table provide an analysis of the Fund's revenue, results, assets and liabilities by geographical segments:

	Local investments RM	Foreign investments RM	Total RM
2024			
Revenue			
Segment income	442,576,102	10,708,074	
Segment expenses	<u>(6,300,913)</u>	<u>(306,582)</u>	
Net segment income			
representing segment results	<u>436,275,189</u>	<u>10,401,492</u>	446,676,681
Unallocated loss on foreign currency exchange			<u>(141,576)</u>
			446,535,105
Unallocated expenditures			<u>(20,287,695)</u>
Income before tax			426,247,410
Income tax			<u>(197,376)</u>
Net income after tax			<u>426,050,034</u>
Assets			
Financial assets at FVTPL	1,398,232,702	63,135,289	
Short term deposit	53,555,000	-	
Other segment assets	<u>6,333,630</u>	<u>7,080</u>	
Total segment assets	<u>1,458,121,332</u>	<u>63,142,369</u>	1,521,263,701
Unallocated assets			<u>19,001,861</u>
			<u>1,540,265,562</u>
Liabilities			
Segment liabilities	<u>16,527,894</u>	-	16,527,894
Unallocated liabilities			<u>1,279,399</u>
			<u>17,807,293</u>

16. SEGMENTAL REPORTING (CONTD.)

b. Geographical segments (contd.)

	Local investments RM	Foreign investments RM	Total RM
2023			
Revenue			
Segment (loss)/income	(60,074,598)	844,748	
Segment expenses	<u>(4,837,662)</u>	<u>(129,494)</u>	
Net segment (loss)/income representing segment results	<u>(64,912,260)</u>	<u>715,254</u>	(64,197,006)
Unallocated loss on foreign currency exchange			<u>(163,397)</u>
Unallocated expenditures			<u>(18,891,382)</u>
Loss before tax			(83,251,785)
Income tax			<u>(215)</u>
Net loss after tax			<u>(83,252,000)</u>
Assets			
Financial assets at FVTPL	1,035,721,732	33,937,479	
Short term deposits	84,530,000	-	
Other segment assets	3,996,182	-	
Total segment assets	<u>1,124,247,914</u>	<u>33,937,479</u>	1,158,185,393
Unallocated assets			3,650,755
			<u>1,161,836,148</u>
Liabilities			
Segment liabilities	<u>3,775,870</u>	-	3,775,870
Unallocated liabilities			1,451,745
			<u>5,227,615</u>

17. FINANCIAL INSTRUMENTS

a. Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The material accounting policy information in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised.

The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
2024				
Assets				
Listed equity securities	1,426,727,235	-	-	1,426,727,235
Listed collective investment scheme	23,998,247	-	-	23,998,247
Unlisted options	10,642,509	-	-	10,642,509
Short term deposit	-	53,555,000	-	53,555,000
Amount due from licensed financial institutions	-	6,078,329	-	6,078,329
Other receivables	-	262,381	-	262,381
Cash at bank	-	18,982,814	-	18,982,814
	<u>1,461,367,991</u>	<u>78,878,524</u>	<u>-</u>	<u>1,540,246,515</u>
Liabilities				
Amount due to Manager	-	-	1,062,439	1,062,439
Amount due to Trustee	-	-	63,866	63,866
Amount due to licensed financial institutions	-	-	16,527,894	16,527,894
	<u>-</u>	<u>-</u>	<u>17,654,199</u>	<u>17,654,199</u>

17. FINANCIAL INSTRUMENTS (CONTD.)

a. Classification of financial instruments (contd.)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
2023				
Assets				
Listed equity securities	1,003,813,937	-	-	1,003,813,937
Listed collective investment schemes	54,262,274	-	-	54,262,274
Unlisted options	11,583,000	-	-	11,583,000
Short term deposits	-	84,530,000	-	84,530,000
Amount due from licensed financial institutions	-	2,599,708	-	2,599,708
Other receivables	-	1,396,474	-	1,396,474
Cash at bank	-	3,634,083	-	3,634,083
	<u>1,069,659,211</u>	<u>92,160,265</u>	<u>-</u>	<u>1,161,819,476</u>
Liabilities				
Amount due to Manager	-	-	1,265,457	1,265,457
Amount due to Trustee	-	-	49,771	49,771
Amount due to licensed financial institutions	-	-	3,775,870	3,775,870
	<u>-</u>	<u>-</u>	<u>5,091,098</u>	<u>5,091,098</u>

17. FINANCIAL INSTRUMENTS (CONTD.)

b. Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value.

The following table shows the fair value measurements by level of the fair value measurement hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Investments:				
2024				
Listed equity securities	1,426,727,235	-	-	1,426,727,235
Listed collective investment scheme	23,998,247	-	-	23,998,247
Unlisted options	-	-	10,642,509	10,642,509
	<u>1,450,725,482</u>	<u>-</u>	<u>10,642,509</u>	<u>1,461,367,991</u>
2023				
Listed equity securities	1,003,813,937	-	-	1,003,813,937
Listed collective investment schemes	54,262,274	-	-	54,262,274
Unlisted options	-	-	11,583,000	11,583,000
	<u>1,058,076,211</u>	<u>-</u>	<u>11,583,000</u>	<u>1,069,659,211</u>

Level 1: Listed prices in active market

Level 2: Model with all significant inputs which are observable market data

Level 3: Model with inputs not based on observable market data

The fair values of listed equity securities and listed collective investment schemes are determined by reference to Bursa Malaysia Securities Berhad's and respective foreign stock exchanges of the respective countries' last traded prices at reporting date.

Reconciliation of fair value measurements of Level 3 financial instruments

The Fund carries unlisted options as financial assets at FVTPL classified as Level 3 within the fair value hierarchy.

17. FINANCIAL INSTRUMENTS (CONTD.)

b. Financial instruments that are carried at fair value (contd.)

Reconciliation of fair value measurements of Level 3 financial instruments (contd.)

The following table shows a reconciliation of all movements in the fair value of the unlisted options categorised within Level 3 between the beginning and the end of the financial year.

	2024 RM	2023 RM
At the beginning of the financial year	11,583,000	40,570,949
Purchase cost	10,044,783	10,935,000
Proceeds from maturity	(12,258,000)	(39,688,460)
Realised gain	1,323,000	1,312,200
Unrealised change in fair value	(50,274)	(1,546,689)
At the end of the financial year	<u>10,642,509</u>	<u>11,583,000</u>

The following table presents additional information about the valuation methodology and input used for an investment that is measured at fair value and categorised within Level 3:

	Fair value	Valuation methodology	Unobservable input
2024			
Call/Put - NCT Alliance Berhad maturing on 30 November 2024	<u>10,642,509</u>	Discounted cash flow	Option price
2023			
Call/Put - NCT Alliance Berhad maturing on 30 November 2023	<u>11,583,000</u>	Discounted cash flow	Option prices

In the current and previous financial year, significant decreases in the option prices would result in a significantly lower fair value measurement.

c. Financial instruments not carried at fair value and for which their carrying amounts are reasonable approximations of fair value

The carrying amounts of the Fund's other financial assets and financial liabilities are not carried at fair value but approximate fair values due to the relatively short term maturity of these financial instruments.

18. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for creation and cancellation of units to the Fund.

The Fund's objectives for managing capital are:

- a. To invest in investments meeting the description, risk exposure and expected return indicated in its prospectus;
- b. To maintain sufficient liquidity to meet the expenses of the Fund, and to meet cancellation requests as they arise; and
- c. To maintain sufficient fund size to make the operations of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current and previous financial years.

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Investor Services Center

Toll Free Line: 1 800 88 3737

Fax: +603 2172 3133

Email: investorservices@kenanga.com.my

Head Office, Kuala Lumpur

Level 14, Kenanga Tower, 237 Jalan Tun Razak,
50400 Kuala Lumpur, Malaysia.

Tel: 03-2172 3000 Fax: 03-2172 3080