

Manulife
Investment
Indonesia Equity
Fund

**Reports
and financial
statements**

for the financial period from 1 September 2022
to 25 August 2023 (date of termination)

MANULIFE INVESTMENT INDONESIA EQUITY FUND

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MANULIFE INVESTMENT INDONESIA EQUITY FUND

1 GENERAL INFORMATION

1.1 THE TRUST

The Fund commenced operations on 19 October 2010 and will continue its operations until terminated as provided under Clause 12 of the Deed.

1.2 FUND CATEGORY / TYPE

Equity/ Growth

1.3 BASE CURRENCY

Ringgit Malaysia (RM)

1.4 OBJECTIVE OF THE FUND

The Fund seeks to achieve capital appreciation over the long-term through investment in equities and equity-related instruments predominantly in Indonesia market.

Note: Any material change to the Fund's investment objective would require Unit Holders' approval.

1.5 DISTRIBUTION POLICY

Distribution of income, if any, is incidental.

1.6 PERFORMANCE BENCHMARK

Jakarta Composite Index.

The benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of this benchmark. The benchmark information is available in www.manulifeim.com.my.

1.7 INVESTMENT STYLE AND STRATEGY

The Fund seeks to achieve its investment objective by investing at least 80% of its net asset value (NAV) in a diversified portfolio of equities and equities-related securities issued by companies listed on the Indonesian market and other markets (mainly Singapore and Malaysia) whereby such companies in these countries derived at least 50% of their income from Indonesia, as determined by the Fund Manager at the point of purchase. In the event the income derived from Indonesia from companies listed in other markets fall below 50%, the Fund Manager will assess the investment and will dispose it if the investment rationale does not meet its requirements. The remaining NAV of the Fund will be invested in money market instruments including deposits, repo and cash placements with financial institutions.

The investment process of the Fund employs both qualitative and quantitative analysis in identifying potential companies for investment. In doing so, the Fund Manager adopts a bottom-up approach which relies on fundamentals research - the fundamentals are assessed from a broad range of criteria including the prospective company's growth and value profile, its cash-flow generation ability and its management.

During the financial year under review, the Fund continued to follow its investment objective to invest in the Indonesia market.

MANULIFE INVESTMENT INDONESIA EQUITY FUND

2 MANAGER'S REPORT

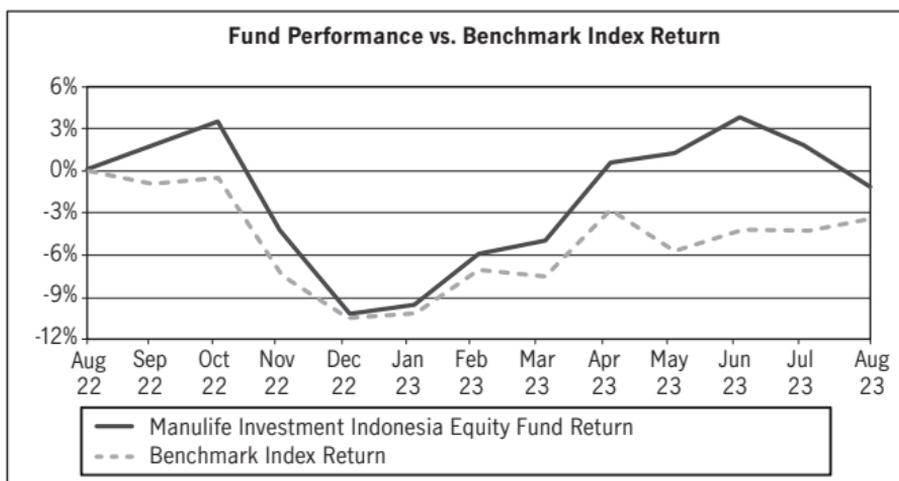
2.1 REPORT AND FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2022 TO 25 AUGUST 2023 (DATE OF FUND TERMINATION)

This is the termination report of the Fund for the financial period ended 25 August 2023 (date of fund termination), and it covers the financial period from 1 September 2022 to 25 August 2023. Please note that full redemption was executed on 25 August 2023, therefore the Fund performance is calculated up to 25 August 2023.

2.2 FUND PERFORMANCE

For the financial period from 1 September 2022 to 25 August 2023 (date of fund termination), the Fund's return decreased by 1.14% and outperformed its benchmark return, JCI, which decreased by 3.36%. The outperformance was broad-based on the back of both stock selection and asset allocation decisions. Stock selection in financials, consumer discretionary, industrials and materials, as well as the underweight to consumer discretionary were the primary contributors. Stock selection in energy, consumer staples and information technology, as well as the underweight to financials were the primary detractors.

The graph below compares the performance of the Fund against its benchmark return for the financial period from 1 September 2022 to 25 August 2023:



Source: Lipper; Bloomberg & RIMES

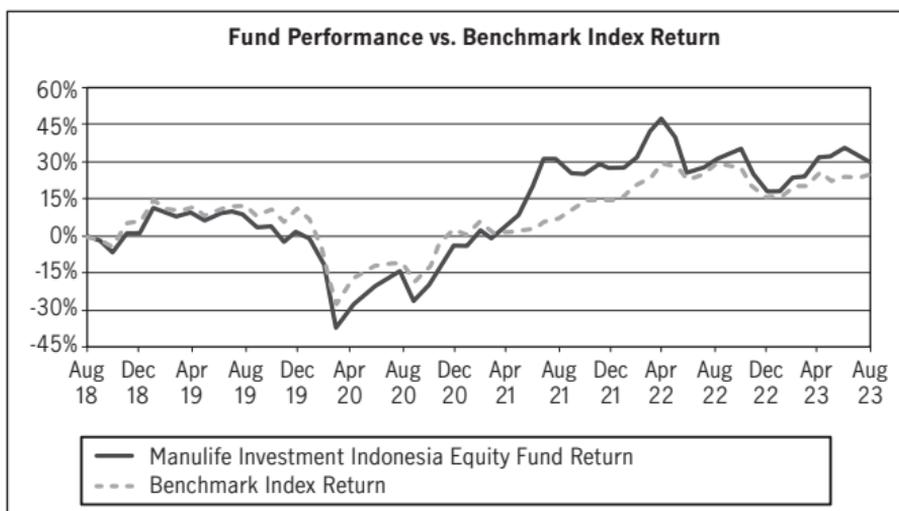
MANULIFE INVESTMENT INDONESIA EQUITY FUND

Fund Size

Due to the Fund's termination on 25 August 2023, the Fund's assets had been entirely liquidated and returned to its unit holders. Thus, its NAV is now NIL.

Fund's Returns

- (a) The graph below compares the performance of the Fund against its benchmark return for the financial period from 1 September 2018 to 25 August 2023:



Source: Lipper; Bloomberg & RIMES

- (b) Average Total Return of the Fund:

For the financial year ended 25 August 2023 (Date of Termination)	Fund (% p.a.)	Benchmark (% p.a.)
1 year	(1.18)	(3.36)
3 years	15.02	11.23
5 years	5.15	4.55
Investment Commencement Date: 19 October 2010		

Source: Lipper; Bloomberg & RIMES

- (c) Annual Total Return of the Fund:

For the financial year ended:	Fund (% p.a.)	Benchmark (% p.a.)
31 August 2023 (Date of Termination)	(1.14)	(3.36)
31 August 2022	0.18	20.75
31 August 2021	52.61	19.63
31 August 2020	(22.90)	(20.14)
31 August 2019	8.47	11.74
Investment Commencement Date: 19 October 2010		

Source: Lipper; Bloomberg & RIMES

The Fund has achieved its target of providing unit holders with long-term capital appreciation over the long term. The Fund has been able to continue to identify growth opportunities and investment on the basis of value and not popularity.

MANULIFE INVESTMENT INDONESIA EQUITY FUND

BASES OF CALCULATION

1. Net Asset Value (NAV)

Net Asset Value of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point.

2. Net Asset Value per unit

Net Asset Value per unit is the net asset value of the Fund divided by the total number of units in circulation, at the valuation point.

3. Fund's Return

Fund's return can be calculated based on the computation methods as follows:

$$\text{Daily Total Fund's Return} = \frac{\{[\text{End NAV (Ex-distribution)} - \text{Beginning NAV} + \text{Dividend Distribution}] / \text{Beginning NAV}\} \times 100\%}$$

Total Fund's Return = Total fund's return for the period is derived from geometrically linking together the daily total fund's returns.
The linking formula is $[(1 + R_1) \times (1 + R_2) \times \dots \times (1 + R_n)] - 1$
where: R_1 is the first daily return for the period,
 R_2 is the second daily return for the period, and
 R_n is the last daily return for the period.

$$\text{Average Total Return} = \text{Annualised Total Return} \left[\frac{\{[1 + \text{Total fund's return for the period}]^{\frac{\text{Actual number of days in a year}}{\text{number of days during the period}}}\} - 1\} \times 100\%}{\text{year/number of days during the period}} \right]$$

The following table shows other financial and performance data of the Fund for the past three financial years:

Fund Data	25 August 2023 (Date of Termination)	31 August 2022	31 August 2021
NAV (RM)	-	28,528,895	22,636,167
Units in Circulation ('000)	-	124,243	99,192
NAV per unit (RM per unit)	-	0.2296	0.2282
Highest / Lowest NAV (RM per unit)	0.2394/0.1960	0.2583/0.2082	0.2370/0.1282
Total Fund Return (%)	(1.14)	0.18	52.61
Capital growth (%)	(1.14)	0.18	52.61
Income distribution (%)	-	-	-
Total Expense Ratio (%)	3.27	3.44	3.58
Portfolio Turnover Ratio (times)	1.68	3.22	4.24

MANULIFE INVESTMENT INDONESIA EQUITY FUND

NOTES

(i) Total Expense Ratio (TER)

TER can be calculated based on the ratio of the sum of fees and the recovered expenses of the unit trust fund to the average value of the unit trust fund calculated on a daily basis.

$$\frac{\text{Fees of the unit trust fund + Recovered expenses of the unit trust fund}}{\text{Average value of the unit trust fund calculated on a daily basis}} \times 100$$

Where:

Fees = All ongoing fees deducted / deductible directly from the unit trust fund in respect of the period covered by the total expense ratio, expressed as a fixed amount, calculated on a daily basis. This would include the annual management fee, the annual trustee fee and any other fees deducted / deductible directly from the unit trust fund;

Recovered expenses = All expenses recovered from/ charged to the unit trust fund, as a result of the expenses incurred by the operation of the unit trust fund, expressed as a fixed amount. This should not include expenses that would otherwise be incurred by an individual investor (e.g. brokerage, taxes and levies); and

Average value of the unit trust fund = The NAV of the unit trust fund, including unit trust net income value of the fund, less expenses on an accrued basis, in respect of the period covered by the total expense ratio, calculated on a daily basis.

The TER for the financial year is lower as compared to the previous financial year mainly due to decrease in expenses.

(ii) Portfolio Turnover Ratio (PTR)

PTR can be calculated based on the ratio of the average sum of acquisitions and disposals of the unit trust fund for the financial year to the average value of the unit trust fund for the financial year calculated on a daily basis.

$$\frac{[\text{Total acquisitions of the fund for the year} + \text{Total disposals of the fund for the year}]/2}{\text{Average value of the unit trust fund calculated on a daily basis}}$$

The PTR for the financial year is lower as compared to the previous financial period mainly due to the decrease in trading activities.

The Manager wishes to highlight that past performance of the Fund is not an indication of its future performance.

The price of units and the investment returns may go down, as well as up.

MANULIFE INVESTMENT INDONESIA EQUITY FUND

2.3 ASSET ALLOCATION

Asset allocation for the past three financial years:

Sector Allocation	% of Net Asset Value		
	25 August 2023 (Date of Termination)	31 August 2022	31 August 2021
Financials	-	32.07	37.86
Consumer Discretionary	-	13.44	8.70
Communications	-	11.40	4.07
Energy	-	10.55	-
Materials	-	6.15	7.20
Consumer Staples	-	5.92	5.92
Industrials	-	4.52	2.75
Health Care	-	4.25	2.77
Information Technology	-	4.20	12.46
Real Estate	-	2.55	1.29
Utilities	-	1.41	-
Technology	-	-	8.31
Telecommunication Services	-	-	6.55
Total Quoted Investments - Foreign	-	96.46	97.88
Other Assets & Liabilities	100.00	3.54	2.12

As at 25 August 2023, the Fund's positions had been completely liquidated.

2.4 MARKET REVIEW

During the financial year under review (1st September 2022 to 25th August 2023)(Fund termination), Indonesian equities posted gains.

For September 2022 to December 2022, Indonesia equities moved lower as Bank Indonesia hiked rates for consecutive months from 3.75% to 5.75%, amid inflationary pressure driven by higher fuel costs. On the policy front, the government extended its export levy waiver on of palm oil through the end of 2022. Indonesia signed a US\$20 billion agreement with a group of industrialised nations to help wean Indonesia off coal production and embrace alternative energy sources. The Indonesian parliament also passed a bill that would expand the central bank's mandate to include supporting sustainable economic growth and formalising its direct purchase of sovereign bonds when the government declares a crisis.

Turning into 2023, the market rebounded as macro indicators (including inflation, trade surplus, gross domestic product (GDP) growth) continued to show recovery. Bank Indonesia kept rates on hold and reiterated focus to safeguard foreign exchange (FX) stability. On the policy front, Indonesia announced plans to reduce the expected fiscal deficit to 2.64% in 2024. The government will also provide incentives to boost sales of electric vehicles (EVs).

2.5 MARKET OUTLOOK AND INVESTMENT STRATEGY

Fitch Ratings downgraded the US credit rating from AAA to "rating watch negative" citing the steady deterioration in standards of governance, and the debt ceiling battle and brinkmanship as reasons for the downgrade. Concerns over the rating downgrade and near-peak US Federal Reserve (Fed) Funds Rate could support appetite of foreign investors to emerging markets. Indonesia equity is trading at attractive valuation, much lower than the average in the past ten years. We continue to believe that exposure to Indonesia economies will likely remain positive and we stay optimistic on the enduring appeal of long-term investment in Indonesia.

2.6 SECURITIES FINANCING TRANSACTIONS

During the financial year under review, the Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as "securities financing transactions").

MANULIFE INVESTMENT INDONESIA EQUITY FUND

2.7 CROSS TRADE TRANSACTIONS

During the financial year under review, no cross trade transactions were carried out.

2.8 STATE OF AFFAIRS

NOTIFICATION OF CHANGES

A new Master Prospectus dated 15 May 2023 was issued to make the following general and administrative updates:

- the former name of Manulife Investment Management (M) Berhad (i.e. formerly known as Manulife Asset Management Services Berhad) is removed. The Manager is now known as Manulife Investment Management (M) Berhad.
- update of Manager's website address to www.manulifeim.com.my.
- replacement of terminology "interim report" with "semi-annual report" and "debentures" with "debt securities".
- update to include the definitions of "Eligible Market" and "U.S.", removal of "Investment Manager" and "IOSCO" and amendment to the definition of "UTCs".
- update the disclosure and designated website address for contact information of the Manager, Trustee and its delegates under Corporate Directory.
- removed frequent trading of securities from investment policy and strategy of the Fund.
- inclusion of disclosure on termination of Fund without a special resolution being passed at a unit holders' meeting in the event the Fund/class is small as the Manager and Trustee may jointly deem it to be uneconomical for the Manager to continue managing the Fund/class, provided that it is also in the best interests of the unit holders to terminate the Fund/class.
- inclusion of suspension/deferment of redemption risk under general risks for investing in the Fund. In addition, liquidity risk is updated to describe the associated impact of liquidity risk on unit holders. Loan or financing risk disclosure has also been updated for better clarity and accuracy purpose.
- update on specific risk disclosure for country risk, currency risk and the risk considerations for investing in derivatives and warrants.
- updated permitted investments to be consistent with the supplemental master deed.
- updated investment limits and restrictions disclosure to streamline with the Guidelines on Unit Trust Funds issued by Securities Commission Malaysia.
- enhanced the disclosure on borrowings and securities lending for better clarity.
- updated the list of supplemental master deed for the Fund that has been registered with the Securities Commission Malaysia. Unit holders may contact the Manager to obtain copies of the Fund's deed for reference on the changes made.
- included disclosure to provide clarity to investors who invested through an Institutional Unit Trust Scheme Adviser, updated illustration on how sales charge and unit prices are calculated, disclosure on redemption charge, transfer fee, switching fee and policy on rounding adjustment.
- updated annual trustee fee disclosure, amended list of expenses incurred by the Fund and salient terms of the deed to be consistent with the supplemental master deed.
- updated policy on rebates and soft commissions, valuation basis, handling of incorrect pricing, cooling-off refund and suspension of dealing in units to streamline with the Guidelines on Unit Trust Funds issued by Securities Commission Malaysia.
- updated disclosure on valuation point and computation of NAV per Unit of the Fund. Added the disclosure on requirement of foreign currency account for investment in non-RM currency classes, payment of redemption proceeds to third party account is prohibited and payment of redemption proceeds can only be made in the same currency as per the class of Fund which investors have invested in.
- removal of facsimile as one of the modes of communication available by the Manager.
- updated disclosure on switching and transfer of funds for better clarity. Disclosure on distribution of income and reinvestment policy is enhanced to provide clarity on costs to be borne by unit holders when income distribution is credited into their respective bank accounts.
- updated the corporate information of the Manager, external fund manager and Trustee.
- updated related-party transactions, removed details of any direct or indirect interest held by the Manager's director under related-party transaction or conflict of interest section and updated cross trade disclosure.

The Master Prospectus dated 15 May 2023 is available on the website:
www.manulifeim.com.my

3 POLICY ON STOCKBROKING REBATES AND SOFT COMMISSIONS

It is the Manager's policy not to enter into soft-dollar arrangements. Exceptions have to be assessed on a case-by-case basis in accordance to the Manager's policy prior to entering into any soft-dollar arrangement.

The Manager may retain soft commissions provided by any brokers or dealers if the soft commissions bring direct benefit or advantage to the management of the Fund. Any dealings with the brokers or dealers are executed on terms which are the most favourable to the Fund and there is no churning of trades. Any rebates/shared commissions should be credited to the account of the Fund concerned.

During the financial year under review, soft commissions have not been received by the Management Company.

4 STATEMENT BY THE MANAGER

We, Edmond Cheah Swee Leng and Chong Soon Min, being two of the Directors of Manulife Investment Management (M) Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying financial statements comprising the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, summary of significant accounting policies and notes to the financial statements, are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 25 August 2023 (date of termination) and of its financial performance, changes in equity and cash flows of the Fund for the financial period from 1 September 2022 to 25 August 2023 (date of termination) in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and the International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

MANULIFE INVESTMENT MANAGEMENT (M) BERHAD

EDMOND CHEAH SWEE LENG
DIRECTOR

CHONG SOON MIN
DIRECTOR

Kuala Lumpur
24 October 2023

MANULIFE INVESTMENT INDONESIA EQUITY FUND

5 TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF MANULIFE INVESTMENT INDONESIA EQUITY FUND ("Fund")

We have acted as Trustee of the Fund for the financial period from 1 September 2022 to 25 August 2023 (date of termination) and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Manulife Investment Management (M) Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
24 October 2023

MANULIFE INVESTMENT INDONESIA EQUITY FUND

6 INDEPENDENT AUDITORS' REPORT

TO THE UNIT HOLDERS OF MANULIFE INVESTMENT INDONESIA EQUITY FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Manulife Investment Indonesia Equity Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 25 August 2023 (date of termination), and of its financial performance and its cash flows for the financial period from 1 September 2022 to 25 August 2023 (date of termination) in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 25 August 2023 (date of termination), and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial period then ended, and notes to the financial statements including a summary of significant accounting policies, as set out on pages 13 to 33.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

Emphasis of matter

We draw attention to Note A in the financial statements, which states that the Fund has been terminated on 25 August 2023 (date of termination). These financial statements have therefore been prepared using a non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

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

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

MANULIFE INVESTMENT INDONESIA EQUITY FUND

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

Other Matters

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
24 October 2023

MANULIFE INVESTMENT INDONESIA EQUITY FUND

7 STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2022 TO 25 AUGUST 2023
(DATE OF TERMINATION)

	Financial period from 01.09.2022 to 25.08.2023 (date of termination)	Financial year from 01.09.2021 to 31.08.2022
Note	RM	RM
INVESTMENT INCOME		
Interest income from current accounts	16,489	961
Gross dividend income	1,043,697	526,144
Net gain on financial assets at fair value through profit or loss	351,695	830,223
Net foreign currency exchange loss	6 (168,193)	(249,710)
	<u>1,243,688</u>	<u>1,107,618</u>
EXPENSES		
Manager's fee	3 418,940	457,173
Trustee's fee	4 13,965	15,239
Auditors' remuneration	7,500	5,500
Tax agent's fee	5,700	2,700
Other expenses	394,546	499,783
Transaction costs	126,219	241,044
	<u>966,870</u>	<u>1,221,439</u>
PROFIT/(LOSS) BEFORE TAXATION	276,818	(113,821)
TAXATION	5 (256,899)	-
PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS)	<u>19,919</u>	<u>(113,821)</u>
Profit/(loss) after taxation is made up as follows:		
Realised	19,919	3,091,576
Unrealised	-	(3,205,397)
	<u>19,919</u>	<u>(113,821)</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

MANULIFE INVESTMENT INDONESIA EQUITY FUND

8 STATEMENT OF FINANCIAL POSITION

AS AT 25 AUGUST 2023 (DATE OF TERMINATION)

	Note	25.08.2023 (date of termination)	31.08.2022
		RM	RM
ASSETS			
Cash and cash equivalents	7	5,272,954	1,165,363
Financial assets at fair value through profit or loss	6	-	27,518,330
Amount due from Manager		-	129,125
Amount due from stockbrokers		-	918,428
Amount due from dealer		-	691,452
Other assets		138,953	-
TOTAL ASSETS		5,411,907	30,422,698
LIABILITIES			
Amount due to Manager			
- Manager's fee		9,682	46,343
- Cancellation of units		5,154,679	1,136,592
Amount due to Trustee		323	1,545
Amount due to dealer		-	693,390
Other payables	8	82,002	15,933
Tax payable		165,221	-
TOTAL LIABILITIES		5,411,907	1,893,803
NET ASSET VALUE ("NAV") OF THE FUND		-	28,528,895
EQUITY			
Unit holders' capital		-	20,371,732
Retained earnings		-	8,157,163
		-	28,528,895
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	2	-	28,528,895
NUMBER OF UNITS IN CIRCULATION	9	-	124,242,664
NAV PER UNIT		-	0.2296

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

MANULIFE INVESTMENT INDONESIA EQUITY FUND

9 STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2022 TO 25 AUGUST 2023
(DATE OF TERMINATION)

	Unit holders' capital	Retained earnings	Total
	RM	RM	RM
BALANCE AS AT 1 SEPTEMBER 2022	20,371,732	8,157,163	28,528,895
Movement in unit holders' contribution:			
Creation of units arising from applications	34,964,529	-	34,964,529
Cancellation of units	(55,336,261)	(8,177,082)	(63,513,343)
Total comprehensive income	-	19,919	19,919
BALANCE AS AT 25 AUGUST 2023 (DATE OF TERMINATION)	-	-	-

	Unit holders' capital	Retained earnings	Total
	RM	RM	RM
BALANCE AS AT 1 SEPTEMBER 2021	14,365,183	8,270,984	22,636,167
Movement in unit holders' contribution:			
Creation of units arising from applications	39,282,224	-	39,282,224
Cancellation of units	(33,275,675)	-	(33,275,675)
Total comprehensive loss	-	(113,821)	(113,821)
BALANCE AS AT 31 AUGUST 2022	20,371,732	8,157,163	28,528,895

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

MANULIFE INVESTMENT INDONESIA EQUITY FUND

10 STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2022 TO 25 AUGUST 2023
(DATE OF TERMINATION)

Note	Financial period from 01.09.2022 to 25.08.2023 (date of termination)		Financial year from 01.09.2021 to 31.08.2022
	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES			
	(25,871,301)	(85,384,541)	
Purchase of investments			
Sale of investments	54,533,535	79,621,942	
Net realised foreign currency exchange loss	(277,243)	(238,495)	
Dividends received	839,710	421,200	
Interest income received	16,489	961	
Manager's fee paid	(455,601)	(446,453)	
Trustee's fee paid	(15,187)	(14,881)	
Audit fee paid	(5,500)	(5,500)	
Tax agent's fee paid	-	(2,700)	
Payment for other fees and expenses	(271,143)	(395,205)	
Tax paid	(91,678)	-	
Net cash generated from/(used in) operating activities	28,402,081	(6,443,672)	
CASH FLOWS FROM FINANCING ACTIVITIES			
	35,093,654	39,730,139	
Proceeds from creation of units			
Payments for cancellation of units	(59,495,256)	(32,421,381)	
Net cash (used in)/generated from financing activities	(24,401,602)	7,308,758	
Net increase in cash and cash equivalents	4,000,479	865,086	
Currency translation differences	107,112	(8,802)	
Cash and cash equivalents at the beginning of the financial period/year	1,165,363	309,079	
Cash and cash equivalents at the end of the financial period/year	7 5,272,954	1,165,363	
Cash and cash equivalents comprise:			
Bank balances in licensed banks	7 5,272,954	1,165,363	

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

11 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2022 TO 25 AUGUST 2023
(DATE OF TERMINATION)

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements. The policies have been consistently applied to all the financial years presented, unless otherwise stated.

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The Fund commenced operations on 19 October 2010 and has been terminated on 25 August 2023 as provided under Clause 12 of the Deed. As such, the going concern assumption can no longer be used for the preparation of financial statements. The financial statements have therefore been prepared using a non-going concern basis of accounting. The Manager and the Trustee of the Fund hereby authorised the termination of the trust in respect of the Fund on 25 August 2023.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial period/year. It also requires the Manager to exercise judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ. There are no significant areas of judgement or complexity that have significant effect on the amounts recognised in the financial statements. There are no critical accounting estimates and assumptions used in the preparation of the financial statements of the Fund for the financial period from 1 September 2022 to 25 August 2023 (date of termination).

There are no new standards, amendments to published standards and interpretations to existing standards that are applicable to the Fund but not yet effective and have not been early adopted as the Fund has been terminated on 25 August 2023.

B FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate quoted equities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest. However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale.

The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

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

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The Fund classifies amount due to Manager, amount due to Trustee, amount due to stockbrokers, amount due to dealer and other payables as other financial liabilities measured at amortised cost.

(ii) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the assets. Investments are initially recognised at fair value. Transaction costs are recognised as expenses in the statement of comprehensive income.

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

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

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

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the financial year which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

Foreign quoted securities are valued at the last traded market price quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.

If a valuation based on the market price does not represent the fair value of the quoted securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

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

(iii) Impairment

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any expected credit loss. The Manager considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be wholly insignificant to the Fund.

(iv) Significant increase in credit risk

A significant increase in credit risk is defined by the Manager as any contractual payment which is more than 30 days past due.

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(v) Definition of default and credit-impaired financial assets

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

(vi) Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial period/year.

C INCOME RECOGNITION

Interest income from deposits placed with licensed financial institutions is recognised on time proportionate basis using the effective interest rate method on accrual basis.

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

Dividend income on quoted investments is recognised on the ex-dividend date.

Realised gains or losses on sale of quoted investments are calculated based on the difference between the net disposal proceeds and the carrying amount of the investments, determined on a weighted average cost basis.

D EXPENSES

Expenses are accounted for on an accrual basis and charged to the statement of comprehensive income. Expenses arising from disposal of investments are recognised as transaction costs (Note J to the financial statements).

E AMOUNTS DUE FROM/TO STOCKBROKERS

Amounts due from and to stockbrokers represent receivables for quoted securities sold and payables for quoted securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on the amount due from the stockbroker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses.

Significant financial difficulties of the stockbroker, probability that the stockbroker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

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

F CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at banks which is subject to an insignificant risk of changes in value.

MANULIFE INVESTMENT INDONESIA EQUITY FUND

G FOREIGN CURRENCY

Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is the Fund’s functional and presentation currency.

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, event and conditions and have determined the functional currency to be in RM primarily due to the following factors:

- (i) Significant portion of the Fund’s expenses are denominated in RM; and
- (ii) Units of the Fund are denominated in RM.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income (OCI) as qualifying cash flow hedges.

H FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Where available, quoted and observable market prices are used as the measure of fair values. Where such quoted and observable market prices are not available, fair values are estimated based on a range of methodologies and assumptions regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in the uncertainties and assumptions could materially affect these estimates and the resulting fair value estimates.

A range of methodologies and assumptions has been used in deriving the fair values of the Fund’s financial instruments as at the date of statement of financial position. The total fair value of each financial instrument is not materially different from the total carrying value.

The fair values are based on the following methodologies and assumptions:

(a) Short-term deposits with financial institutions

For deposits and placements with licensed financial institutions with maturities of less than three months, the carrying value is a reasonable estimate of fair value. For deposits and placements with maturities of three months and above, the estimated fair value is based on discounted cash flows by using prevailing interbank money market interest rates at which similar deposits and placements would be made with financial institutions of similar credit risk and remaining period to maturity.

(b) Quoted investments

The estimated fair value is based on quoted and observable market prices.

(c) Other short-term financial instruments

Other short-term financial instruments comprise amount due from/to Manager, amount due from/to stockbrokers, dividends receivable, amount due to Trustee and other payables. The carrying values of the assets and liabilities are assumed to approximate their fair values due to the short tenure of less than one year.

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I TAXATION

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

J TRANSACTION COSTS

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

MANULIFE INVESTMENT INDONESIA EQUITY FUND

12 NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2022 TO 25 AUGUST 2023
(DATE OF TERMINATION)

1 INFORMATION ON THE FUND

Manulife Investment Indonesia Equity Fund (“the Fund”) was established pursuant to a Master Deed dated 8 August 2008, as amended and supplemented by subsequent Supplemental Deeds (hereinafter referred to as “the Deed”) between Manulife Investment Management (M) Berhad (“the Manager”) and HSBC (Malaysia) Trustee Berhad (“the Trustee”) as the new Trustee with effect from 5 April 2021.

The principal activity of the Fund is to invest in “Authorised Investments” as defined under Clause 1 as mentioned in the Seventh Schedule of the Deed.

The Fund commenced operations on 19 October 2010 and has terminated its operations on 25 August 2023. As such, the going concern assumption can no longer be used for the preparation of financial statements. The financial statements have therefore been prepared using a non-going concern basis of accounting.

The main objective of the Fund is to achieve capital appreciation over the long-term through investment in equities and equity-related instruments predominantly in Indonesia market.

The Manager of the Fund, a company incorporated in Malaysia, is a wholly-owned subsidiary of Manulife Holdings Berhad, a public limited liability company, incorporated and domiciled in Malaysia, and listed on the main market of Bursa Malaysia. Its principal activities are the management of unit trusts and private retirement schemes, fund management activities and financial planning.

The financial statements were authorised for issue by the Manager on 24 October 2023.

2 NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

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

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

The outstanding units are carried at the redemption amount that is payable at each financial period/year if unit holders exercises the right to put the units back to the Fund.

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

3 MANAGER’S FEE

In accordance with the Deed, the Manager is entitled to Manager’s fee at a rate of not exceeding 2.50% per annum of the net asset value of the Fund before deducting Trustee’s fee and Manager’s fee for the day, calculated on a daily basis.

For the financial period, the Manager is entitled to Manager’s fee rate of 1.80% per annum (for the financial year from 1 September 2021 to 31 August 2022: 1.80% per annum) of the net asset value of the Fund before deducting Trustee’s fee and Manager’s fee for the day, calculated on a daily basis.

There will be no further liability to the Manager in respect of Manager’s fee other than the amount recognised above.

MANULIFE INVESTMENT INDONESIA EQUITY FUND

4 TRUSTEE'S FEE

In accordance with the Deed, the Trustee is entitled to a fee at a rate of not exceeding 0.25% per annum of the net asset value of the Fund before deducting Trustee's fee and Manager's fee for the day, calculated on a daily basis, subject to a minimum fee of RM18,000 per annum.

For the financial period, the Trustee is entitled to a fee rate of 0.06% per annum (for the financial year from 1 September 2021 to 31 August 2022: 0.06% per annum) of the net asset value of the Fund before deducting Trustee's fee and Manager's fee for the day including local custodian fees, but excluding foreign custodian fees and charges, calculated on a daily basis.

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

5 TAXATION

	Financial period from 01.09.2022 to 25.08.2023 (date of termination)	Financial year from 01.09.2021 to 31.08.2022
	RM	RM
Current taxation	240,253	-
Under provision of taxation in prior year	16,646	-
	<u>256,899</u>	<u>-</u>

Numerical reconciliation between profit/(loss) before taxation multiplied by the Malaysian statutory tax rate and tax expenses of the Fund is as follows:

	Financial period from 01.09.2022 to 25.08.2023 (date of termination)	Financial year from 01.09.2021 to 31.08.2022
	RM	RM
Profit/(loss) before taxation	<u>276,818</u>	<u>(113,821)</u>
Tax calculated at Malaysian tax rate of 24% (2022: 24%)	66,436	(27,317)
Tax effect in respect of:		
- Expenses not deductible for tax purposes	129,704	181,623
- Restriction on tax deductible expenses for unit trust funds	92,111	111,522
- Investment income not subject to tax	(47,998)	(265,828)
- Under provision of taxation in prior year	16,646	-
Tax expenses	<u>256,899</u>	<u>-</u>

MANULIFE INVESTMENT INDONESIA EQUITY FUND

6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	25.08.2023 (date of termination) RM	31.08.2022 RM
Financial assets at fair value through profit or loss		
- Quoted investments-Foreign	-	27,518,330
	-	27,518,330

	Financial period from 01.09.2022 to 25.08.2023 (date of termination) RM	Financial year from 01.09.2021 to 31.08.2022 RM
Net gain on financial assets at fair value through profit or loss		
- Realised	2,566,900	4,026,818
- Unrealised	(2,215,205)	(3,196,595)
	351,695	830,223

	Quantity Units	Cost of shares RM	Fair value as at 31.08.2023 (date of termination) RM	Fair value as at 31.08.2023 expressed as percentage of value of Fund %
<u>QUOTED INVESTMENTS</u>				
<u>25.08.2023</u>				
<u>(date of termination)</u>				
TOTAL QUOTED INVESTMENTS	-	-	-	-
ACCUMULATED UNREALISED GAIN/(LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		-		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		-		

MANULIFE INVESTMENT INDONESIA EQUITY FUND

QUOTED INVESTMENTS - FOREIGN

<u>QUOTED INVESTMENTS</u>	<u>Quantity</u> <u>Units</u>	<u>Cost of</u> <u>shares</u> <u>RM</u>	<u>Fair value</u> <u>as at</u> <u>31.08.2022</u> <u>RM</u>	<u>Fair value as</u> <u>at 31.08.2022</u> <u>expressed as</u> <u>percentage</u> <u>of value of</u> <u>Fund</u> <u>%</u>
<u>31.08.2022</u>				
<u>INDONESIA</u>				
COMMUNICATIONS SERVICES				
PT Telkom Indonesia (Persero) Tbk	1,993,900	2,348,758	2,741,134	9.61
PT Tower Bersama Infrastructure Tbk	601,600	523,668	511,469	1.79
	<u>2,595,500</u>	<u>2,872,426</u>	<u>3,252,603</u>	<u>11.40</u>
CONSUMER DISCRETIONARY				
PT Astra International Tbk	1,002,300	1,981,272	2,107,677	7.39
PT Bukalapak.com Tbk	1,698,200	162,338	153,593	0.54
PT GoTo Gojek Tokopedia Tbk	17,255,600	1,359,252	1,571,083	5.51
	<u>19,956,100</u>	<u>3,502,862</u>	<u>3,832,353</u>	<u>13.44</u>
CONSUMER STAPLES				
PT Cisarua Mountain Dairy Tbk	576,200	696,119	759,131	2.66
PT Sumber Alfaria Trijaya Tbk	505,400	241,086	332,165	1.16
PT Unilever Indonesia Tbk	432,000	634,354	597,804	2.10
	<u>1,513,600</u>	<u>1,571,559</u>	<u>1,689,100</u>	<u>5.92</u>
ENERGY				
PT Adaro Energy Indonesia Tbk	500,300	484,607	533,944	1.87
PT AKR Corporindo Tbk	1,648,400	564,329	596,356	2.09
PT Energi Mega Persada Tbk	3,177,300	270,679	249,054	0.87
PT Indo Tambangraya Megah Tbk	46,000	456,993	545,020	1.91
PT United Tractors Tbk	106,500	837,874	1,086,852	3.81
	<u>5,478,500</u>	<u>2,614,482</u>	<u>3,011,226</u>	<u>10.55</u>
FINANCIALS				
PT Bank Central Asia Tbk	1,109,900	2,264,461	2,743,846	9.62
PT Bank Mandiri (Persero) Tbk	990,100	2,153,696	2,641,706	9.26
PT Bank Negara Indonesia (Persero) Tbk	439,300	1,134,189	1,129,062	3.96
PT Bank Jago Tbk	61,300	163,971	155,701	0.54
PT Bank Rakyat Indonesia (Persero) Tbk	1,895,146	2,312,549	2,479,673	8.69
	<u>4,495,746</u>	<u>8,028,866</u>	<u>9,149,988</u>	<u>32.07</u>
HEALTH CARE				
PT Kalbe Farma Tbk	1,230,200	601,839	623,085	2.18
PT Medikaloka Hermina Tbk	1,314,100	571,691	590,305	2.07
	<u>2,544,300</u>	<u>1,173,530</u>	<u>1,213,390</u>	<u>4.25</u>

MANULIFE INVESTMENT INDONESIA EQUITY FUND

QUOTED INVESTMENTS (Continued)	Quantity Units	Cost of shares RM	Fair value as at 31.08.2022 RM	Fair value as at 31.08.2022 expressed as percentage of value of Fund %
INDUSTRIALS				
PT ADI Sarana Armada Tbk	634,100	387,712	279,108	0.98
PT Blue Bird Tbk	1,738,600	856,952	725,958	2.54
PT Jasa Marga (Persero) Tbk	276,200	309,735	286,447	1.00
	<u>2,648,900</u>	<u>1,554,399</u>	<u>1,291,513</u>	<u>4.52</u>
INFORMATION TECHNOLOGY				
PT DCI Indonesia Tbk	23,900	60,136	273,806	0.96
PT Digital Mediatama Maxima Tbk	1,080,000	542,359	447,702	1.57
PT M Cash Integrasi Tbk	138,000	507,961	476,373	1.67
	<u>1,241,900</u>	<u>1,110,456</u>	<u>1,197,881</u>	<u>4.20</u>
MATERIALS				
PT Aneka Tambang Tbk	1,144,800	752,208	686,823	2.41
PT Chandra Asri Petrochemical Tbk	516,000	348,672	379,579	1.33
PT Semen Indonesia (Persero) Tbk	172,800	373,647	343,835	1.21
PT Vale Indonesia Tbk	186,000	361,711	342,062	1.20
	<u>2,019,600</u>	<u>1,836,238</u>	<u>1,752,299</u>	<u>6.15</u>
REAL ESTATE				
PT Ciputra Development Tbk	2,535,500	667,334	726,188	2.55
UTILITIES				
PT Perusahaan Gas Negara Tbk	724,300	370,973	401,789	1.41
TOTAL QUOTED INVESTMENTS - FOREIGN	<u>45,753,946</u>	25,303,125	<u>27,518,330</u>	<u>96.46</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>2,215,205</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>27,518,330</u>		

MANULIFE INVESTMENT INDONESIA EQUITY FUND

7 CASH AND CASH EQUIVALENTS

	25.08.2023 (date of termination)	31.08.2022
	RM	RM
Bank balances in licensed banks	5,272,954	1,165,363

8 OTHER PAYABLES

	25.08.2023 (date of termination)	31.08.2022
	RM	RM
Auditors' remuneration	7,500	5,500
Tax agent's fee	8,400	2,700
Sundry payables and accruals	66,102	7,733
	<u>82,002</u>	<u>15,933</u>

9 UNITS IN CIRCULATION

	Financial period from 01.09.2022 to 25.08.2023 (date of termination)	Financial year from 01.09.2021 to 31.08.2022
	No. of units	No. of units
At beginning of the financial period/year	124,242,664	99,191,695
Add: Creation of units arising from applications	158,880,567	170,005,758
Less: Cancellation of units	<u>(283,123,231)</u>	<u>(144,954,789)</u>
At end of the financial period/year	<u>-</u>	<u>124,242,664</u>

10 BROKERS' TRANSACTIONS

The details of transactions with brokers by value of trades are as follows:

<u>Name of brokers</u>	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>Financial period from 1 September 2022 to 25 August 2023 (date of termination)</u>				
CLSA Limited	26,524,890	33.40	5,306	16.06
Macquarie Securities Australia Limited	23,310,362	29.35	4,667	14.12
J.P. Morgan Securities (Asia Pacific) Limited	9,089,060	11.45	16,403	49.64
Citigroup Global Markets Limited	6,968,055	8.77	1,396	4.22
Morgan Stanley & Co. LLC	6,412,123	8.07	1,284	3.89
Goldman Sachs International, London	2,819,950	3.55	564	1.71
GHSS Mutual Fund Depository (Hong Kong)	1,528,566	1.93	306	0.93
Jefferies International Limited	1,471,538	1.85	1,918	5.80
Merrill Lynch International, London	673,134	0.85	142	0.43
Credit Suisse International	493,828	0.62	892	2.70
Others	128,289	0.16	167	0.50
	<u>79,419,795</u>	<u>100.00</u>	<u>33,045</u>	<u>100.00</u>

MANULIFE INVESTMENT INDONESIA EQUITY FUND

<u>Name of brokers</u>	<u>Value of trades</u>	<u>Percentage of total trades</u>	<u>Brokerage fees</u>	<u>Percentage of total brokerage fees</u>
	RM	%	RM	%
<u>Financial year from</u>				
<u>1 September 2021</u>				
<u>to 31 August 2022</u>				
Macquarie Securities Australia Limited	47,368,609	29.01	9,479	11.81
CLSA Limited	38,965,302	23.86	7,797	9.72
Jefferies International Limited	18,302,665	11.21	23,807	29.67
Morgan Stanley & Co. LLC	16,259,359	9.96	3,253	4.06
Merrill Lynch (Singapore) Pte Ltd	10,949,493	6.71	2,191	2.73
Credit Suisse International	7,878,791	4.83	14,187	17.68
Credit Suisse (Hong Kong) Limited	7,739,670	4.74	1,742	2.17
J.P. Morgan Securities (Asia Pacific) Limited	6,418,647	3.93	11,554	14.40
Merrill Lynch International, London	4,361,700	2.67	873	1.09
Goldman Sachs International, London	1,736,036	1.06	347	0.43
Others	3,301,949	2.02	5,008	6.24
	<u>163,282,221</u>	<u>100.00</u>	<u>80,238</u>	<u>100.00</u>

As at the end of each financial period/year, there were no transactions with related parties.

11 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

<u>Related parties</u>	<u>Relationship</u>
Manulife Investment Management (M) Berhad	The Manager
Manulife Financial Corporation ("Manulife")	Ultimate holding company of the Manager
Manulife Holdings Berhad	Immediate holding company of the Manager
Subsidiaries and associates of Manulife as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager
Directors of Manulife Investment Management (M) Berhad	Directors of the Manager

There were no units held by the Manager as at 25 August 2023 (date of termination) and 31 August 2022 respectively.

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

The Manager is of the opinion that all transactions with the related companies have been entered into at agreed terms between the related parties.

MANULIFE INVESTMENT INDONESIA EQUITY FUND

12 TOTAL EXPENSE RATIO (“TER”)

	Financial period from 01.09.2022 to 25.08.2023 (date of termination)	Financial year from 01.09.2021 to 31.08.2022
	%	%
TER	3.27	3.44

TER represents expenses including Manager’s fee, Trustee’s fee, auditors’ remuneration, tax agent’s fee and other expenses (excluding SST on transaction costs and withholding tax) expressed as an annual percentage of the Fund’s average net asset value calculated on a daily basis.

13 PORTFOLIO TURNOVER RATIO (“PTR”)

	Financial period from 01.09.2022 to 25.08.2023 (date of termination)	Financial year from 01.09.2021 to 31.08.2022
PTR (times)	1.68	3.22

PTR represents the average of total acquisitions and disposals of investments in the Fund for the financial period/year over the Fund’s average net asset value calculated on a daily basis.

14 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk (including price risk and currency risk), credit risk, liquidity risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to all rules and regulations as stipulated by the Securities Commission’s Guidelines on Unit Trust Funds.

Market risk

(a) Price risk

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

The table below shows the assets of the Fund which are exposed to price risk.

	25.08.2023 (date of termination)	31.08.2022
	RM	RM
Financial assets at fair value through profit or loss - Quoted investments - Foreign	-	27,518,330

MANULIFE INVESTMENT INDONESIA EQUITY FUND

The following table summarises the sensitivity of the Fund's profit or loss after taxation and net asset value to price risk movements of quoted investments as at the end of reporting date. The analysis is based on the assumptions that the market price of quoted investments fluctuates by 5% with all other variables being held constant, and that fair value of the Fund's investments move according to the historical correlation of the index. Disclosures as shown are in absolute terms, changes and impact could be positive or negative.

As at:	Changes in price	Impact on profit or loss after taxation	Impact on net asset value
	%	RM	RM
<u>25.08.2023</u>			
<u>(date of termination)</u>			
Financial asset at fair value through profit or loss			
- Quoted investments - Foreign	5	-	-
<u>31.08.2022</u>			
Financial asset at fair value through profit or loss			
- Quoted investments - Foreign	5	1,375,917	1,375,917

(b) Currency risk

For investments denominated in foreign currencies, the currency risk may have a significant impact on the returns of the Fund. The Manager will evaluate the likely direction of a foreign currency versus Ringgit Malaysia based on consideration of economic fundamentals such as interest rate differentials, balance of payment position, debt level and technical consideration.

The Fund's foreign currency risk concentration is as follows:

As at	Cash and cash equivalents	Financial assets at fair value through profit	Amount due from stock-brokers	Amount due from dealer	Total
	RM	RM	RM	RM	RM
<u>25.08.2023</u>					
<u>(date of termination)</u>					
USD	53,712	-	-	-	53,712
	53,712	-	-	-	53,712
<u>31.08.2022</u>					
IDR		- 27,518,330	918,428		- 28,436,758
USD	911,492	-	-	691,452	1,602,944
	911,492	27,518,330	918,428	691,452	30,039,702

MANULIFE INVESTMENT INDONESIA EQUITY FUND

The following table summarises the sensitivity of the Fund's profit or loss after taxation and net asset value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate fluctuates by 5%, with all other variables remaining constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

<u>As at</u>	<u>Changes in foreign exchange</u>	<u>Impact on profit or loss after taxation</u>	<u>Impact on net asset value</u>
	%	RM	RM
<u>25.08.2023</u> <u>(date of termination)</u>			
USD	5	2,686	2,686
		<u>2,686</u>	<u>2,686</u>
<u>31.08.2022</u>			
IDR	5	1,421,838	1,421,838
USD	5	80,147	80,147
		<u>1,501,985</u>	<u>1,501,985</u>

Credit risk

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

For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Malaysia Berhad or respective foreign stock exchanges.

The settlement terms of the proceeds from the creation of units receivable by the Manager are governed by the Securities Commission's Guidelines on Unit Trust Funds.

The maximum exposure to credit risk before any credit enhancements in the carrying amount of the financial assets is as set out below:

<u>As at</u>	<u>Neither Past Due Nor Impaired</u>				<u>Total</u>
	<u>Cash and cash equivalents</u>	<u>Amount due from Manager</u>	<u>Amount due from stock- brokers</u>	<u>Amount due from dealer</u>	
	RM	RM	RM	RM	RM
<u>25.08.2023</u> <u>(date of termination)</u>					
AAA	5,219,242	-	-	-	5,219,242
AA3	53,712	-	-	-	53,712
	<u>5,272,954</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,272,954</u>
<u>As at</u>					
<u>31.08.2022</u>					
AAA	253,871	-	-	-	253,871
AA3	911,492	-	-	-	911,492
Not rated	-	129,125	918,428	691,452	1,739,005
	<u>1,165,363</u>	<u>129,125</u>	<u>918,428</u>	<u>691,452</u>	<u>2,904,368</u>

MANULIFE INVESTMENT INDONESIA EQUITY FUND

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining a sufficient level of liquid assets to meet anticipated payments and cancellations of units by unit holders. The liquid assets comprise cash at banks, deposits with licensed financial institutions and other instruments which are capable of being converted into cash within 7 days.

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

<u>As at</u>	<u>Within one year</u>	<u>No maturity date</u>	<u>Total</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>
<u>25.08.2023</u>			
<u>(date of termination)</u>			
<u>Financial assets</u>			
Cash and cash equivalents	-	5,272,954	5,272,954
	-	5,272,954	5,272,954

Financial liabilities

Amount due to Manager			
- Manager's fee	9,682	-	9,682
- Cancellation of units	5,154,679	-	5,154,679
Amount due to Trustee	323	-	323
Other payables	82,002	-	82,002
	5,246,686	-	5,246,686

<u>As at</u>	<u>Within one year</u>	<u>No maturity date</u>	<u>Total</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>
<u>31.08.2022</u>			
<u>Financial assets</u>			
Cash and cash equivalents	-	1,165,363	1,165,363
Financial assets at fair value through profit or loss	-	27,518,330	27,518,330
Amount due from Manager	129,125	-	129,125
Amount due from stockbrokers	918,428	-	918,428
Amount due from dealer	691,452	-	691,452
	1,739,005	28,683,693	30,422,698

Financial liabilities

Amount due to Manager			
- Manager's fee	46,343	-	46,343
- Cancellation of units	1,136,592	-	1,136,592
Amount due to Trustee	1,545	-	1,545
Amount due to dealer	693,390	-	693,390
Other payables	15,933	-	15,933
	1,893,803	-	1,893,803

MANULIFE INVESTMENT INDONESIA EQUITY FUND

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RMNil (31.08.2022: RM20,371,732) and retained earnings of RMNil (31.08.2022: RM8,157,163). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders, and to maintain a strong capital base to support the development of the investment activities of the Fund.

Fair value estimation

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Financial assets at fair value through profit or loss consisting of RM NIL (31.08.2022: RM27,518,330) is classified within level 1 of the fair value hierarchy.

15 COMPARATIVES

Financial statements for the current period is prepared for the financial period from 1 September 2022 to 25 August 2023 (date of termination) while for the comparable period, it is prepared for the financial year ended 31 August 2022.

Therefore the comparatives for the statement of comprehensive income, statement of changes in equity, the statement of cash flows and related notes are not comparable to the financial period from 1 September 2022 to 25 August 2023 (date of termination).

13 CORPORATE INFORMATION

MANAGER

Manulife Investment Management (M) Berhad
Registration No.: 200801033087 (834424-U)
13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur

BOARD OF DIRECTORS

Dato' Dr Zaha Rina Binti Zahari (Independent)
Edmond Cheah Swee Leng (Independent)
Gianni Fiacco (Non-Independent)
Vibha Hamsi Coburn (Non-Independent)
Wong Boon Choy (Non-Independent)
Chong Soon Min (Jason) (Non-Independent Executive)

INVESTMENT MANAGER

Manulife Investment Management (Hong Kong) Limited
Registration No: (482556)
47th Floor, The Lee Gardens
33 Hysan Avenue, Causeway Bay
Hong Kong SAR

TRUSTEE OF THE FUND

HSBC (Malaysia) Trustee Berhad
Registration No: 193701000084 (1281-T)
Level 19, Menara IQ, Lingkaran TRX
Tun Razak Exchange
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AUDITORS

PricewaterhouseCoopers PLT
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MANULIFE INVESTMENT INDONESIA EQUITY FUND

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Pusat Perdagangan Canning
31400 Ipoh
Perak Darul Ridzuan
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Fax: (05) 541-6627

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Dataran Sunway
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Taman Komersil Senawang
70450 Seremban
Negeri Sembilan
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Fax: (06) 678-0016

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No. 87-01 & 87-02
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Taman Melaka Raya 1
75000 Melaka
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Fax: (06) 282-0587

Johor Bahru

No. 1-01, Jalan Setia Tropika 1/15
Taman Setia Tropika
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93350 Kuching
Sarawak
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101 Commercial Centre
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MANULIFE INVESTMENT INDONESIA EQUITY FUND

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